



**LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED**

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**38th Annual Report 2018 - 2019**



## LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

CIN : L31200TZ1981PLC001124

### Board of Directors

Smt. Nethra J.S. Kumar	:	Chairperson and Managing Director
Sri. N. Suryakumar	:	Director
Sri. Sanjay Jayavarthanavelu	:	Director
Sri. D. Senthilkumar	:	Director
Sri. Ramesh Rudrappan	:	Director
Sri. A. Palaniappan	:	Director
Sri. Arun Selvaraj	:	Director
Sri. N. R. Selvaraj	:	Director
Sri. A. Thiagarajan	:	Chief Financial Officer
Sri. S. Sathyanarayanan	:	Company Secretary

### Statutory Auditor

M/s. Subbachar & Srinivasan  
Chartered Accountants  
Coimbatore.

### Secretarial Auditor

M/s. MDS & Associates  
Company Secretaries  
Coimbatore.

### Registrars and Share Transfer Agents

M/s. S.K.D.C. Consultants Ltd.  
Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road  
Ganapathy, Coimbatore - 641 006.  
Tel. No. : 0422 - 4958995, 2539835 - 36, Fax : 2539837  
E-mail : info@skdc-consultants.com

### Registered Office

34-A, Kamaraj Road  
Coimbatore - 641 018.

### Admn. Office and Works

Arasur - 641 407  
Coimbatore District  
Tel No. : 0422 - 3093500  
E-mail : investorscell@lecsindia.com

### Bankers

Indian Bank  
Bank of Baroda  
Indian Overseas Bank  
HDFC Bank Ltd.

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# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

## LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

Regd. Office 34-A, Kamaraj Road, Coimbatore - 641018, Tamil Nadu.

CIN: L31200TZ1981PLC001124

Phone: +91 422 3093500

Email: [investorscell@lecsindia.com](mailto:investorscell@lecsindia.com) Website: [www.lecsindia.com](http://www.lecsindia.com)

### NOTICE TO SHAREHOLDERS

Notice is hereby given that the Thirty Eighth Annual General Meeting of the shareholders of Lakshmi Electrical Control Systems Limited will be held on Wednesday, the 7th day of August 2019 at 2.45 P.M at Nani Kalai Arangam, Mani Higher Secondary School, Coimbatore - 641 037 to transact the following business:

#### Ordinary Business:

1. To consider and adopt Annual Financial Statements including Statement of Profit and Loss, Cash Flow Statement and Statement of changes in equity for the financial year ended 31st March 2019, Balance Sheet as on that date, Report of Board of Directors' and the Auditor's Report thereon.
2. To declare dividend for the financial year ended 31st March 2019.
3. To appoint a Director in the place of Sri.D.Senthilkumar (holding DIN: 00006172), who retires by rotation and being eligible, offers himself for re-appointment.

#### Special Business:

4. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution.

"Resolved that Sri.N.R.Selvaraj holding (DIN No.00013954) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 1st February 2019 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of The Companies Act, 2013 ("the Act") and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company be and is hereby appointed as a Director (Non executive Non Independent) of the Company and he is liable to retire by rotation".

5. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment, modification or re-enactment thereof), consent of the shareholders of the Company be and is hereby accorded to enter into related party transactions in excess of 10% of the annual Consolidated Turnover of the Company in any financial year with M/s Lakshmi Machine Works Limited for a period of five financial years from the Financial Year 2020-2021."

6. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment, modification or re-enactment thereof), consent of the shareholders of the Company be and is hereby accorded to enter into related party transactions in excess of 10% of the annual Consolidated Turnover of the Company in any financial year with M/s. Lakshmi Precision Tools Limited for a period of five financial years from the Financial Year 2020-2021."

7. To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Sri N.Suryakumar (DIN: 00008316),

Independent Non-Executive Director, who has attained the age of 78 years, who holds office as an Independent Director upto 08th August 2019 and submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for re-appointment and upon recommendation of Nomination and Remuneration Committee and Board of Directors be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for a second term of two consecutive years with effect from 09th August 2019 to 09th August 2021 and not liable to retire by rotation".

8. To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Sri.Ramesh Rudrappan (DIN: 00008325), Independent Non-Executive Director who holds office as an Independent Director upto 08th August 2019 and submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for re-appointment and upon recommendation of Nomination and Remuneration Committee and Board of Directors be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for a second term of five consecutive years with effect from 09th August 2019 to 09th August 2024 and not liable to retire by rotation".

9. To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Sri.A.Palaniappan (DIN: 00044022), Independent Non-Executive Director who holds office as an Independent Director upto 08th August 2019 and submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for re-appointment and upon recommendation of Nomination and Remuneration Committee and Board of Directors be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for a second term of five consecutive years with effect from 09th August 2019 to 09th August 2024 and not liable to retire by rotation".

10. To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Sri.Arun Selvaraj (DIN: 01829277), Independent Non-Executive Director who holds office as an Independent Director upto 08th August 2019 and submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for re-appointment and upon recommendation of Nomination and Remuneration Committee and Board of Directors be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for a second term of five consecutive years with effect from 09th August 2019 to 09th August 2024 and not liable to retire by rotation".

11. To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any of the Companies Act, 2013 read with the relevant rules and regulations made there under (including any amendment, re-enactment or statutory modification thereof for the time being in force), the regulations contained in the new set of Articles of Association be and are hereby approved and adopted as the Articles of Association of the Company, in the place of, in substitution for, and to the entire exclusion of the existing Articles of Association of the Company.

## LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding."

Place : Coimbatore

Date : May 29, 2019

By order of the Board

**S. Sathyanarayanan**

Company Secretary

### NOTES:

- 1. THE EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 WITH RESPECT TO THE SPECIAL BUSINESS SET OUT IN THE NOTICE IS ANNEXED HERETO.**
- 2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE AGM INSTEAD OF HIMSELF/HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- 3. THE INSTRUMENT APPOINTING THE PROXY, DULY COMPLETED, MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AGM. PROXY FORM FOR THE AGM IS ENCLOSED.**
- 4. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**
5. Members / proxies should bring the duly filled attendance slip enclosed herewith to attend the AGM.
6. Corporate members intending to send their authorised representatives to attend the AGM are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the AGM.
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
8. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
9. The Register of Members and share transfer books of the Company will remain closed from Thursday, the 01st August 2019 to Wednesday, the 07th August 2019 (both days inclusive) as per Section 91 of the Companies Act, 2013 and Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
10. Subject to the provisions of the Companies Act, 2013 ("the Act"), dividend as recommended by the Board of Directors, if declared at the AGM will be paid within a period of 30 days from the date of declaration, in respect of those members who hold shares in physical form, whose names appear on the Register of Members as on 31st July 2019 and for those who hold shares in dematerialized form as per the details furnished by the depositories for this purpose as at the close of the business hours on 31st July 2019.
11. Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updates of bank account details to their respective Depository Participant(s). Members whose shareholding is in the physical mode are requested to direct the above details to the Company's Registrar and Share Transfer Agents. Members are advised to utilize the National Electronic Clearing System (NECS) for receiving dividends. The prescribed form is enclosed and the duly filled form shall be lodged with the Registrar and Share Transfer Agents, M/s. S.K.D.C Consultants Limited for payment of dividend in future through NECS, if eligible.
12. Members are requested to address all correspondences, including change of address and dividend matters, to the Registrars and Share Transfer Agents of the Company, M/s S.K.D.C Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore-641006.

13. Members are requested to register / update their e-mail address in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with M/s S.K.D.C Consultants Limited, Registrars and Share Transfer Agents of the Company.
14. Members who are Non-resident Indian are requested to inform the Company or its Registrars and Share Transfer Agents or to the concerned depository participants, as the case may be, immediately:
  - (a) the change in the residential status on return to India for permanent settlement.
  - (b) the particulars of the bank account, if not furnished earlier.
15. Members who wish to claim dividends, which remain unclaimed, are requested to correspond with Registrars and share Transfer Agents of the Company. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Companies Act, 2013 be transferred to the Investor Education and Protection Fund. As per Section 124 of the Companies Act, 2013 all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to Investor Education and Protection Fund (IEPF) established under Ministry of Corporate Affairs. Subsequently, the members shall be entitled to claim the shares from IEPF in accordance with procedure and on submission of documents as may be prescribed by IEPF Authority from time to time. Hence, members are requested to encash the dividends which are unclaimed for the financial years from 2011-12 to 2017-18.
16. As per the provisions of Section 72 of the Act, facility for making nominations is now available to Individual(s) holding shares in the Company. Members holding shares in physical form may obtain the Nomination Form from the Registrars and Share Transfer Agents of the Company. Members holding shares in electronic form have to approach their depository participants for completing the nomination formalities.
17. In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
18. Brief profile, details of shareholding and Directors inter-se relationship of Directors seeking election/re-election as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards are provided as Annexure to this notice.
19. **The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) and bank account details by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN and bank account details to their Depository Participants with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN details and bank account details to the Registrars and Share Transfer Agents of the Company. SEBI vide their circular dated 20th April 2018 has mandated that the dividend warrant / demand draft revalidation request can be processed only if the bank account details are registered with Depository Participants (for demat shareholders) and Registrars and Share Transfer Agents of the Company (for shareholders holding shares in physical form). Hence, the shareholders are requested to immediately register their PAN and bank account details.**
20. As per the green initiative taken by the Ministry of Corporate Affairs, the shareholders are advised to register their e-mail address with the Company in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in electronic form to enable the Company to serve documents in electronic form.
21. A member who needs any clarification on accounts or operations of the Company shall write to the Compliance Officer, so as to reach him at least 7 days before the meeting, so that the information required can be provided.
22. Members are requested to bring their copy of the Annual Report with them to the Annual General Meeting.
23. Members holding shares in electronic form may please note that as per the regulations of National Security Depository Services (India) Limited (NSDL) and Central Depository Services (India) Limited (CDSL), the Company is obliged to print the details on the Dividend Warrants as furnished by these Depositories to the Registrars and Share Transfer Agents/Company and the Company cannot entertain any request for deletion / change of bank details already printed on dividend warrants as per the information received from the concerned Depositories. In this regard, Members should contact their Depository Participants (DP) and furnish particulars of any changes desired by them.
24. Electronic copy of the Annual Report and AGM Notice are being sent to all the members whose E-mail id is registered with the Company / Depository Participants unless any member has requested for a hard copy of the same. For members who have not registered their E-mail ID, physical copies of Annual Report and AGM Notice for the financial year 2018-19 are sent through the permitted mode separately.



25. The notice of the Annual General Meeting and the Annual Report are also available on the website of the Company [www.lecsindia.com](http://www.lecsindia.com). The route map of AGM is provided elsewhere in the Annual Report. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members can receive such communication in physical form, upon making a request for the same.
26. **As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the transfer of shares in physical mode is not allowed from 01st April 2019. Members are requested to dematerialize their shares. However, transmission / transposition of shareholders name are allowed by following due process and documentation. Necessary intimation was sent to the concerned shareholders in this regard.**
27. Members may note that M/s. Subbachar & Srinivasan., Chartered Accountants, Coimbatore, (FRN: 004083S), the Statutory Auditors of the Company were appointed by the Shareholders at the 35th Annual General Meeting (AGM) held on 8th August, 2016, to hold office for a period of 5 years till the conclusion of AGM to be held during the year 2021, subject to ratification by the shareholders at every AGM. However, the Ministry of Corporate Affairs vide notification dated 7th May 2018 amended Section 139 of the Companies Act, 2013 by omitting the requirement of seeking ratification of the members for appointment of statutory auditors at every AGM. Accordingly, the original resolution appointing the Statutory Auditors passed by the Shareholders at the 35th AGM held on 8th August, 2016 was amended vide resolution approved by the Shareholders at their 37th AGM held on 8th August, 2018 to omit the requirement for ratification of the appointment of auditors by the shareholders at every AGM. Hence, no resolution is being proposed for ratification of appointment of Statutory Auditors at this Annual General Meeting. venue

### Voting through electronic means

In compliance with the provisions of section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the members the facility to exercise their votes for all the resolutions detailed in the Notice of the 38th Annual General Meeting scheduled to be held on Wednesday, the 07th August 2019 at 2.45 p.m. by electronic means and the business may be transacted through remote e-voting. The Company has engaged the services of CDSL as the authorized agency to provide the remote e-voting facilities as per instructions below.

The Members, who have not voted through remote e-voting and present at the AGM in person or by proxy, can vote through the ballot conducted at the AGM.

Kindly note that members can opt for only one mode of voting i.e., either by through remote e-voting or by ballot at the AGM.

A member present at the AGM and has cast his/her vote by remote e-voting will not be permitted to vote at the AGM by Ballot.

Votes cast by members who hold shares on the cutoff date viz. 31.07.2019 alone will be considered.

Sri. B. Krishnamoorthi, Chartered Accountant, "Kanapathy Towers" III Floor, No. 1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641006 is appointed as Scrutinizer for conducting the e-voting process.

### The instructions for shareholders voting electronically are as under:

- (i) The remote e-voting period begins at 09.00 AM on 04.08.2019 and ends on 06.08.2019 at 05.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 31.07.2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website: [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).·</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the Company Name, 'Lakshmi Electrical Control Systems Limited' to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

**(xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xx) Note for Non – Individual Shareholders and Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.



## LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

### Explanatory statement pursuant to Section 102 of the Companies Act, 2013

#### Item no.4

Based on the recommendation of the Nomination and Remuneration Committee. Sri N.R. Selvaraj was appointed as an additional director of the Company by the Board of Directors with effect from 01st February 2019. He holds office until conclusion of this Annual General Meeting. He is eligible for appointment as a Director of the Company. Pursuant to the provisions of Section 160 of the Companies Act, 2013, a notice from a member of the Company signifying the intention of candidature of Sri N.R. Selvaraj as a Director has been received by the Company.

Considering the skills, experience and expertise knowledge, the Board is of the opinion that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Sri N.R. Selvaraj as a Non-Executive Non Independent Director. He is liable to retire by rotation.

Accordingly, the Board recommends this ordinary resolution for the approval of the shareholders in relation to appoint Sri N.R. Selvaraj as Non-Executive Non Independent Director as set out in item No. 4 of the notice for approval of shareholders.

#### Profile of Sri N.R.Selvaraj

Date of Birth / Nationality : 05.10.1947 / Indian

Date of Appointment in the board : 01.02.2019

Sri.N.R.Selvaraj, is a B.Com Graduate and a Member of the Institute of Chartered Accountants of India ( A.C.A.) qualified in the year 1971. He has more than 40 years of experience in various roles including Finance, Audit, Administration, etc. He has worked for Canara Bank during the year 1973 to 1990 in various capacities such as Officer and Manager in the Bank's Inspection Department in Mumbai, Coimbatore and Ernakulam. He also worked as Branch Manager in the Bank's Kerala Region Branches and as Senior Manager in the Advances Section of the Bank's Circle Office in Trivandrum.

He has worked for M/s Lakshmi Machine Works Limited from July 1990 to October 2005 as Manager Internal Audit, Senior Manager Internal Audit and DGM / G.M Finance. Subsequently, he became a member of Corporate Strategy Management Team and also the Internal Auditor from November 2005 till January 2014.

He occupied the position of Whole Time Director of Super Sales India Limited comprising of Agency Division, Textile Division, Gears Manufacturing Unit and Wind Mill Division from February 2014 till January 2017. Subsequently, he was appointed as the Managing Director of Super Sales India Limited from February 2017. He resigned as Managing Director of Super Sales India Limited on 23.10.2018.

#### He holds Directorships in the following unlisted companies:

1. Lakshmi Cargo Company Limited	2.Lakshmi Life Sciences Limited
3. Quattro Engineering India Limited	4.Revantha Holdings Limited
5. Hermes Academy of Training Limited	6. Sowbarnika Enterprises Limited
7. Chakradhara Aerospace and Cargo Private Limited	

No. of Shares held in the Company : NIL

No. of Shares held in Subsidiary Company : NA

#### Memberships in Committees:

Name of the Company	Name of the Committee	Member/Chairman
Chakradhara Aerospace and Cargo Private Limited	Audit Committee	Chairman
	Nomination and Remuneration Committee	Chairman
	Corporate Social Responsibility Committee	Chairman
Lakshmi Life Sciences Limited	Audit Committee	Chairman
	Nomination and Remuneration Committee	Chairman
	Corporate Social Responsibility Committee	Chairman

He is not related to any other director, Manager or Key Managerial Personnel. None of the Directors and Key Managerial Personnel of the Company or their relatives is, financially or otherwise, concerned or interested in this resolution except Sri N.R.Selvaraj, whose appointment is considered.

Sitting fee paid to him during the year 2018-19 was Rs 25,000/-

Number of Board meetings attended by him during 2018-19 was 1.

He is a Non-executive and Non-Independent Director and entitled to receive remuneration by way of fees and reimbursement of expenses for participation in the meetings of the Board and / or Committees or any other meeting of directors and profit related commission, if any, in terms of Section 197 and other applicable provisions of the Companies Act, 2013, and as determined by the Board from time to time, within the overall limits specified under the Companies Act, 2013 as well as the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The explanatory statement may also be construed as disclosure under Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

#### Item no.5

As per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 all Related Party Transactions shall require prior approval of the Audit Committee and all material Related Party Transactions shall require approval of the Members.

Company is purchasing Control Panel Components and Selling Control Panels and Engineering Plastics Components manufactured by the Company to Lakshmi Machine Works Limited on arms length basis. Company is also rendering job work services to Lakshmi Machine Works Limited on arms length basis.

The aggregate of all purchases, sales and earnings out of rendering services exceeds the 10% of Annual Consolidated Turnover of the Company in a financial year. As per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all related party transactions which exceeds 10% of the Annual Consolidated Turnover needs to be approved by the shareholders.

Directors recommend the resolution at item No.5 for the approval of the Members of the Company.

#### Interest of Directors :

None of the Directors, Key Managerial Personnel or their relatives other than Sri.Sanjay Jayavarthanavelu, Director, Smt. Nethra J.S. Kumar, Chairperson and Managing Director and Sri.D.Senthilkumar, Director is concerned or interested in the resolution.

#### Item no.6

As per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 all Related Party Transactions shall require prior approval of the Audit Committee and all material Related Party Transactions shall require approval of the Members.

Company is purchasing Control Panel Components and Selling Engineering Plastics Components / Electrical spares manufactured by the Company to Lakshmi Precision Tools Limited on arms length basis. The aggregate of all purchases, sales and earnings out of rendering services exceeds / may exceed the 10% of Annual Consolidated Turnover of the Company in a financial year.