



LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

39th Annual Report 2019 - 2020



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
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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

504, Avinashi Road
Peelamedu Post
Coimbatore - 641 004.

Admn. Office and Works

Arasur - 641 407
Coimbatore District
Tel No. : 0422 - 6616500
E-mail : investors@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 : 504, Avinashi Road, Peelamedu Post, Coimbatore - 641004, Tamil Nadu.

CIN: L31200TZ1981PLC001124

Phone: +91 422 6616500

Email: investorscell@lecsindia.com Website: www.lecsindia.com

NOTICE TO SHAREHOLDERS

Notice is hereby given that the Thirty Ninth Annual General Meeting of the shareholders of Lakshmi Electrical Control Systems Limited will be held on Friday, the 14th day of August 2020 at 2.30 P.M (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") 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 2020, 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 2020.
3. To appoint a Director in the place of Sri. Sanjay Jayavarthanavelu (DIN: 00004505), who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint M/s. Subbachar & Srinivasan, Chartered Accountants as Statutory Auditors for a further term of five years from 2021-22 to 2025-26.

RESOLVED that pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Subbachar & Srinivasan, Chartered Accountants (Firm Registration No. 004083S) be and are hereby re-appointed as Statutory Auditors of the Company for a further term of five years from the financial year 2021-22 to 2025-26 and who will retire at the conclusion of the Annual General Meeting to be held in the year 2026 at a remuneration as may be decided by the Board of Directors from time to time.

Special Business:

5. To consider and if thought fit, to pass the following resolution for ratification of remuneration for Cost Auditor as an Ordinary Resolution.

RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof, for the time being in force), Sri.S.Subbaraman (Firm No: 100526) Cost Accountant, who was appointed as Cost Auditor by the Board of Directors of the Company on the recommendation of the Audit Committee, to conduct the audit of the cost accounting records of the Company for the financial years 2019-20 & 2020-21 on a remuneration of Rs.30,000/- (Rupees thirty thousand only) for each of the financial years exclusive of applicable taxes and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit fixed by the Board of Directors be and is hereby ratified and confirmed.

6. To consider and if thought fit, to pass the following resolution for changes in terms and conditions of remuneration of Managing Director, in case of inadequate or absence of profits, as a Special Resolution:

RESOLVED THAT in partial modification of the resolution passed by the members of the Company at the 35th Annual General Meeting held on 8th August 2016 and pursuant to Sections 196, 197, 198, 203 and other applications provisions, if any, of the Companies Act, 2013 read with Schedule V thereto and the relevant Rules made thereunder and applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any amendment(s), statutory modification(s) or re-enactment(s) thereof, for the time being in force) and on the recommendation of the Nomination and Remuneration Committee and approval of the Audit Committee and Board of Directors of the Company, consent of the

Members of the Company be and is hereby accorded for payment of remuneration on the terms and conditions approved by the shareholders at the 35th Annual General Meeting held on 8th August 2016 as minimum remuneration to Smt.Nethra J.S. Kumar (DIN: 00217906), Managing Director of the Company, in case of inadequacy or absence of profits in any financial year with effect from 1st April 2020 to 31st March 2022 being the remaining period of her present tenure as Managing Director.

RESOLVED FURTHER THAT with effect from 1st April 2020 to 31st March 2022 being a period within the present tenure of Smt.Nethra J.S. Kumar, Managing Director, the Board of Directors of the Company (including committees thereof) be and are hereby authorised to alter and vary the terms and conditions of her re-appointment and/ or remuneration as it may deem fit, subject to the same not exceeding the upper limits as approved earlier by the shareholders.

RESOLVED FURTHER THAT except for the aforesaid modifications, all other terms and conditions of her appointment as Managing Director of the Company, as approved by the resolution passed at the 35th Annual General Meeting held on 8th August 2016 shall remain unchanged.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take all such steps as may be necessary and/or give such directions as may be necessary, proper or expedient to give effect to the above resolution without being required to seek any further consent or approval of the members and the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

Place : Coimbatore
Date : June 03, 2020

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.**
- In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs has permitted holding of the Annual General Meeting ("AGM") through Video conference (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue, vide its circulars dated May 5, 2020, April 8, 2020 and April 13, 2020. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the ensuing AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** Since the ensuing AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. In case of Joint Holders, the member whose name appears as First Holder in the order of names on the Register of Members of the Company will be entitled to vote. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
- Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to bkcacbe@gmail.com with a copy marked to evoting@nsdl.co.in.
- The Register of Members and share transfer books of the Company will remain closed from Saturday, the 08th August 2020 to Friday, the 14th August 2020 (both days inclusive) as per Section 91 of the Companies Act, 2013 and Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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7. The dividend as recommended by the Board of Directors, if declared at the AGM will be paid, subject to deduction of tax at source, whose names appear in the Register of Members as on 07th August 2020 in respect of shares held in physical form and in respect of shares held in dematerialized form, the dividend shall be paid on the basis of the beneficial ownership as per the details furnished by the Depositories for this purpose at the end of the business hours on 07th August 2020.
8. 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 the 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 2012-13 to 2018-19
9. 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.
10. 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.
11. Members holding shares in physical mode are requested to communicate their change of postal address (enclose copy of Aadhar Card), e-mail address, if any, self attested copy of PAN Card and Bank account details (enclose cancelled cheque leaf) quoting their folio numbers to the Registrars and Share Transfer Agents, M/s. SKDC Consultants Limited, "Kanapathy Towers", 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore- 641 006. Similarly members holding shares in Demat form shall intimate the above details to their respective Depository Participants.
12. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with Share Transfer Agents, M/s. SKDC Consultants Limited (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to green@skdc-consultants.com on or before the end of the business hours of 07th August 2020. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, any other document which may be required to avail the tax treaty benefits by sending an email to green@skdc-consultants.com. The aforesaid declarations and documents need to be submitted by the shareholders on or before the end of business hour of 07th August 2020.
13. 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 Registrars 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 dully filled form shall be lodged with the Registrars and Share Transfer Agents, M/s. S.K.D.C Consultants Limited for payment of dividend in future through NECS, if eligible.

14. 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.
15. 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 holding shares in physical mode are requested to dematerialize their shares. However, transmission / transposition of shareholders name are allowed by following due process and documentation.
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. Members who require any clarifications on accounts or operations of the Company are requested to write to the Company before 07th August 2020 (5.00 pm IST). The queries will be answered accordingly.
18. 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.
19. Pursuant to MCA General Circular No. 20/2020 dated 05th May, 2020 and SEBI Circular dated 12th May 2020, electronic copy of the AGM Notice and the Annual Report containing Financial Statements, Boards Report, Auditors Report, Corporate Governance Report and other documents is being sent only by email to members of the Company who have registered their e-mail id with their depository participants (for members holding shares in demat form) and to their e-mail id registered with the Registrar and Share Transfer Agent of the Company (for members holding shares in physical form). Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.lecsindia.com and website of the BSE Limited at www.bseindia.com.
20. The results of the e-voting and e-voting during the Annual General Meeting will be announced by the Chairperson or person authorised by the Chairperson within 48 hours from the date of conclusion of the Annual General Meeting at the Registered office of the Company. A copy of which will be posted on the Company's website and forwarded to the Stock Exchange.

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, (including any statutory modifications, clarifications, exemptions or re-enactment thereof for the time being in force), the Company is pleased to provide the members the facility to exercise their votes for all the resolutions detailed in the Notice of the 39th Annual General Meeting scheduled to be held on Friday, the 14th August 2020 at 2.30 P.M. (IST) by electronic means and the business may be transacted through remote e-voting and e-voting system during the AGM. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting, and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

The Company has engaged the services of NSDL as the authorized agency to provide the remote e-voting and e-voting during the AGM as per the instructions given below:

Vote by Remote e-Voting and e-voting during the AGM

Sri. B. Krishnamoorthi, Chartered Accountant, having address at "Kanapathy Towers" III Floor, No. 1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641006 is appointed as Scrutinizer by the Board of Directors to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.

Any person, who acquires Shares of the Company and becomes Member of the Company after sending the Notice and holding Shares as of the cut-off date, may obtain login ID and password by sending a request at evoting@nsdl.co.in. However, if he / she is already registered with NSDL to remote e-voting then he / she can use his / her existing user ID and password for casting vote. Any person who ceases to be the member of the Company as on cut-off date and in receipt of this notice, shall treat this AGM Notice for information purpose only.

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The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the AGM Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

The AGM Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

The instructions for the members for remote e-voting are as under:

The remote e-voting period begins at 09.00 AM on 11.08.2020 and ends on 13.08.2020 at 05.00 PM. The shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 07.08.2020 may cast their vote through remote e-voting. The remote e-voting module shall be disabled by NSDL thereafter.

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is :
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will ask you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to bkcacbe@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password.

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In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to Ms. Saritha Mote at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self- attested scanned copy of Aadhar Card) by email to green@skdc-consultants.com.

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to evoting@nsdl.co.in.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views or ask questions during the AGM (held through VC/OAVM) may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investorcell@lecsindia.com from 03rd August 2020 (9:00 a.m. IST) to 07th August 2020 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

For Item No. 4 of the AGM Notice

As per the provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s Subbachar & Srinivasan, Chartered Accountants (Firm Registration No. 0040835) have been appointed as statutory auditors for a term of five years commencing from the financial year 2016-17 who will retire at the conclusion of the Annual General Meeting to be held in the year 2021 and the present statutory auditors of the Company who have completed a period of 5 years are eligible for re-appointment as Statutory Auditors for further term of 5 years from the financial year 2021-22 onwards.

It is proposed to re-appoint M/s Subbarchar & Srinivasan, Chartered Accountants as statutory auditor for a further term of five years commencing from the financial year 2021-22 and will retire at the conclusion of the Annual General Meeting to be held in the year 2026.

Proposed fees payable to the statutory auditor(s) for the year 2021-22 is Rs. 2,30,000/-. Also, the remuneration for the remaining years will be decided by the Board of Directors from time to time.

Basis of recommendation for appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed: M/s Subbarchar & Srinivasan, Chartered Accountants have varied, vast and long standing experience and exposure in accounting field and auditing of listed entities.

Accordingly, the Board recommends this Ordinary Resolution for the approval of the Shareholders.

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

Item no.5

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment and remuneration payable to Sri.S.Subbaraman, Cost Accountant for auditing the cost accounting records of the Company, pursuant to the Companies (Cost Records and Audit) Rules, 2014 for the Financial Years 2019-20 and 2020-21 at a remuneration of Rs.30,000/- (Rupees Thirty Thousand only) for each of the financial years excluding the applicable taxes and reimbursement of out of pocket expenses incurred by him in connection with the audit.

As per Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditor as determined by the Board is required to be ratified by the members of the Company. Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out in Item No.5 of the notice for ratification of the remuneration payable to the Cost Auditor for the Financial Years 2019-20 and 2020-21.

Accordingly, the Board recommends this Ordinary Resolution for the approval of the Shareholders.

Interest of Directors:

None of the Directors, Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the resolution set out as Item No. 5 of the accompanying Notice of the AGM.

Item no.6

Smt.Nethra J.S. Kumar (DIN: 00217906) was re-appointed as the Managing Director of the Company for a period commencing from 1st July 2017 until 31st March 2022 on the terms and conditions as approved by the shareholders at the 35th Annual General Meeting held on 8th August 2016.

Pursuant to the provisions of Section 197(3) of the Companies Act, 2013 ("the Act") read with Schedule V thereto, if in any financial year, the Company has no profits or its profits are inadequate, the Company can pay remuneration to its Managing Director not exceeding the limits specified under item (A) of Section II of Part II of the Schedule V of the Act. However, remuneration in excess of the limits cited earlier may be paid provided a Special Resolution is passed by the Members.

Considering the prevailing economic and business conditions, significantly impacted due to COVID-19 pandemic, the Company may be in a situation of having inadequacy or absence of profits for payment of remuneration to the Managing Director.

Therefore, taking into consideration the amendments made to Schedule V of the Companies Act, 2013 subsequent to her appointment and considering the necessity to provide for payment of minimum remuneration in the event of loss or inadequate profits of the Company, and as a matter of abundant caution, it is proposed to obtain approval of Members by way of Special Resolution for payment of remuneration as per the terms and conditions approved by the shareholders at the 35th Annual General Meeting held on 8th August 2016 as minimum remuneration to Smt.Nethra J.S. Kumar as Managing Director, in case the Company has inadequacy or absence of profits in any financial year(s) during her tenure. Also, it has been proposed to authorize the Board of Directors to alter and vary the terms and conditions of the appointment and / or remuneration of Smt.Nethra J.S. Kumar, Managing Director, as it may deem fit subject to the same not exceeding the upper limits as approved by the shareholders during her present tenure of office.

The Nomination and Remuneration Committee has recommended the above resolution in its meeting held on 01st June 2020. Also, the Audit Committee and the Board of Directors at their respective Meetings held on 03rd June 2020 have inter alia recommended the above resolution for approval of the Members by means of Special Resolution.