



**LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED**

SEC/SE/21/2016-2017

August 11, 2016

The Manager,  
Listing Department,  
BSE Limited,  
Floor 25  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001

Dear Sir,

Sub: 35<sup>th</sup> Annual Report for the financial year 2015 – 2016

Ref: Security Id : LAKSELEC, Security Code : 504258.

As per Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we are enclosing herewith 35<sup>th</sup> Annual Report 2015-16 of the company approved by the shareholders at the Annual General Meeting held on 8<sup>th</sup> August 2016.

Kindly take on record the same.

Thanking you,

Yours faithfully,  
For Lakshmi Electrical Control Systems Ltd

S. Sathyanarayanan  
Company Secretary



ADMIN. OFFICE AND WORKS : Arasur 641 407, Coimbatore Dist, India.  
Phone : +91 422 3093500. Fax : +91 422 3093555. E-Mail : lecs@vsnl.com

REGISTERED OFFICE : 34-A, Kamaraj Road, Coimbatore 641 018.  
CIN No. : L31200TZ19B1PLC001124, Website : www.lecsindia.com



**LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED**

---

35th Annual Report 2015 - 2016





# 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. B.K. Ravi Kumar	:	Chief Financial Officer
Sri. S. Sathyanarayanan	:	Company Secretary

---

## Auditors

M/s. N.R. Doraiswami & Co.,  
Chartered Accountants  
Coimbatore.

## Secretarial Auditor

Sri. M.D. Selvaraj  
Practising 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 - 6549995, 2539835 - 36, Fax : 2539837  
E-mail : [info@skdc-consultants.com](mailto: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](mailto:investorscell@lecsindia.com)

## Bankers

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

## Contents

Notice to Shareholders  
Directors' Report  
Management Discussion and Analysis Report  
Corporate Governance Report  
Auditor's Report  
Accounts

## Page No.

2  
11  
34  
36  
45  
50

# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

## LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

34-A, Kamaraj Road, Coimbatore - 641 018

CIN : L31200TZ1981PLC001124

Phone : +91 422 3093500 Fax : +91 422 3093555

E-mail : lecs@vsnl.com Website : www.lecsindia.com

### NOTICE TO SHAREHOLDERS

Notice is hereby given that the Thirty Fifth Annual General Meeting of the shareholders of Lakshmi Electrical Control Systems Limited will be held on Monday, the 8<sup>th</sup> day of August, 2016 at 03.00 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 viz., Statement of Profit and Loss, Cash Flow Statement for the year ended 31st March 2016, Balance Sheet as on that date, the Report of Board of Directors' and the Auditor's Report thereon.
2. To declare dividend for the financial year ended 31st March 2016.
3. To appoint a Director in the place of Sri. Sanjay Jayavarthanavelu (holding DIN:00004505), who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint M/s. N.R.Doraiswami & Co., Chartered Accountants as statutory auditors for the financial year 2016-17 and to appoint M/s. Subbachar & Srinivasan, Chartered Accountants as Statutory Auditors for a term of five years from 2016-17 to 2020-21.

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. N.R.Doraiswami & Co., Chartered Accountants (Firm Regn. No. : 000771S) and M/s. Subbachar & Srinivasan, Chartered Accountants (Firm Regn. No. : 004083S) be and are hereby appointed as Statutory Auditors of the Company for the financial year 2016-17 at a remuneration of Rs. 2,00,000/- to M/s. N.R.Doraiswami & Co., Chartered Accountants and Rs. 2,00,000/- to M/s. Subbachar & Srinivasan, Chartered Accountants plus reimbursement of actual travelling expenses and taxes if any incurred by them.

RESOLVED FURTHER that M/s. Subbachar & Srinivasan, Chartered Accountants be and are hereby appointed as Statutory Auditor for a term of five years from the financial year 2016-17 to 2020-21, subject to ratification of appointment by the shareholders at each Annual General Meeting after this Annual General Meeting, and who will retire at the conclusion of the Annual General Meeting to be held in the year 2021 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 as an Ordinary Resolution.

RESOLVED that pursuant to the provisions of Section 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, including any amendments and modifications thereof and the Articles of Association of the Company, approval of the Company be and is hereby accorded for the re-appointment of Smt.Nethra J.S. Kumar (DIN: 00217906) as Managing Director for a further period from 01.07.2017 to 31.03.2022 on the remuneration setout herein below:

#### REMUNERATION:

- i) Salary : Rs. 5,00,000 /- per month
- ii) Commission: 4% of the net profits payable annually

iii) Perquisites:

In addition to the salary and commission, the Managing Director shall also be entitled to interchangeable perquisites, like furnished accommodation and where accommodation is not provided HRA, gas, electricity, water, furnishings, medical reimbursement, LTA for self and family, club fees, medical insurance, etc., in accordance with the rules of the Company, such perquisites being restricted to the amount equal to the salary drawn per annum. For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income Tax Rules wherever applicable.

The Managing Director shall be entitled to reimbursement of all actual expenses incurred in the course of the Company's business.

In addition to the Salary, Commission and Perquisites, the Managing Director shall also be entitled to Company's contribution to Provident Fund as per rules of the Company to the extent it is not taxable under the Income Tax Act, 1961 and shall not be included in the computation of the ceiling on remuneration or perquisites.

Gratuity payable shall not exceed half month's salary for each completed year of service.

The Managing Director is entitled to encashment of leave at the end of tenure which shall not be included in the computation of the ceiling on remuneration or perquisites.

Provision of a Company car with driver for use of Company's business and telephone facility at her residence will not be considered as perquisites. Personal long distance calls on telephone and use of the car for private purposes shall be billed by the Company to the Managing Director.

RESOLVED FURTHER that the minimum remuneration and perquisites to be paid in the event of loss or inadequacy of profit in any financial year during the tenure of office shall be as per Schedule V of the Companies Act, 2013.

By order of the Board

Place : Coimbatore

Date : July 1, 2016

**S. Sathyanarayanan**  
Company Secretary

**NOTE:**

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. A 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**

# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

## **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 Tuesday, the 2nd August, 2016 to Monday, the 8th August, 2016 (both days inclusive) as per Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
10. Subject to the provisions of the Companies Act, 2013, 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 1st August, 2016 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 1st August, 2016.
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 are advised to utilize the National Electronic Clearing System (NECS) for receiving dividends.
12. Members are requested to address all correspondences, including change of address and dividend matters, to the Registrar 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 - 641 006.
13. Members are requested to register / update their e-mail address in respect of shares held in dematerialised form with their respective Depository Participants and in respect of shares held in physical form with M/s. S.K.D.C. Consultants Limited, Registrar and Share Transfer Agents of the Company.
14. Members who wish to claim dividends, which remain unclaimed, are requested to correspond with Company Secretary / Registrar 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.
15. 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.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN details to the Registrar and Share Transfer Agent

17. 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.
18. A member who need 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.
19. Members are requested to bring their copy of the Annual Report with them to the AGM.
20. Members holding shares in electronic form may please note that as per the regulations of National Security Depository Services (India) Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL), the Company is obliged to print the details on the Dividend Warrants as furnished by these Depositories to the Registrar and Share Transfer Agents / Company and the Company cannot entertain any request for deletion / change of Bank details already printed 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.
21. 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 year 2015-16 are sent through the permitted mode separately.
22. The notice of the Annual General Meeting and this communication are also available on the website of the Company [www.lecsindia.com](http://www.lecsindia.com). The Route Map of the venue of the AGM is provided in page no. 10.

### **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 members facility to exercise their votes for all the resolutions detailed in the Notice of the 35th Annual General Meeting scheduled to be held on Monday, the 8th August, 2016 at 3.00 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 voted 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., 01.08.2016 alone will be counted.

The Board has appointed Sri. B. Krishnamoorthi, Chartered Accountant, "Kanapathy Towers" III Floor, No. 1391/ A-1, Sathy Road, Ganapathy, Coimbatore – 641006 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 05.08.2016 and ends on 07.08.2016 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 01.08.2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.



# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

- (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	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Members who have not updated their PAN with the Company/Depository Participant are requested to use the Sequence number provided in the Attendance slip enclosed herewith, in the PAN field.
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	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.  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 (iv).

- (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. iPhone 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.
  - | 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. 5**

Smt. Nethra J.S. Kumar was re-appointed as Managing Director of the Company for a period of 5 years from 01.07.2012 to 30.06.2017 by the Shareholders in the 31st Annual General Meeting held on 23rd August 2012.

The current tenure of her office is valid up to 30th June 2017. As per Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee of the Board of Directors of the Company at the meeting held on 1st July, 2016 had, in the best interest and progress of the Company, proposed to re-appoint Smt. Nethra J.S. Kumar as Managing Director of the Company for a further period commencing from 1st July, 2017 to 31st March, 2022, determined her remuneration as set out in the resolution and recommended to the Board for appointment. The proposed remuneration is well within the limits prescribed in the Companies Act, 2013 and the Schedules and Rules made there under.

Pursuant to the provisions of the Regulation 23 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 the Audit Committee of the Board of Directors of the Company at the meeting held on 1st July,

# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

2016 had also approved the proposed re-appointment of Smt. Nethra J.S. Kumar as Managing Director of the Company for the period from 1st July, 2017 to 31st March, 2022 and recommended to the Board for appointment.

The proposed transaction of availing the services of Smt. Nethra J.S. Kumar as Managing Director and the payment of remuneration to her during the proposed tenure is an arm length transaction and taking place in the ordinary course of business and it is not a material related party transaction. Hence the provisions of Section 188 of the Companies Act, 2013 and the Regulation 23(4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 are not attracted.

The Board of Directors of the Company at their meeting held on 1st July, 2016 had approved the re-appointment and remuneration payable to Smt. Nethra J.S. Kumar for the period from 1st July, 2017 to 31st March, 2022 subject to the approval of the shareholders.

Smt. Nethra J.S. Kumar is also a Managing Director in M/s. Harshni Textiles Limited and does not draw any remuneration in that Company.

Board of Directors recommend this resolution for your approval.

## **Interest of Directors:**

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

## **Annexure to Notice of the AGM**

### **Profile of Directors seeking appointment / re-appointment:**

#### **1. Profile of Sri.Sanjay Jayavarthanavelu (DIN:00004505)**

Sri.Sanjay Jayavarthanavelu aged 48 years, is a Post Graduate in Business Administration from Philadelphia University, U.S.A with specialization in Management and Finance. He was the past Chairman of the Textile Machinery Manufacturers Association of India, past Chairman of Tamil Nadu State Council of CII, present member of Southern Regional Council of CII, Member - Executive Committee - FICCI, past Chairman of the India ITME Society. He is also Managing Trustee / Trustee of a couple of leading trusts contributing to the promotion of health, education, sports and public welfare.

He has more than 23 years of experience in Finance, Administration and in the fields of Textile, Textile Engineering, Machine Tools, Foundry and Logistics.

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

1.	Carborundum Universal Limited	2.	Quattro Engineering India Limited
3.	Lakshmi Cargo Company Limited	4.	Lakshmi Life Sciences Limited
5.	Lakshmi Electrical Control Systems Limited	6.	Lakshmi Machine Works Limited
7.	Lakshmi Ring Travellers (Coimbatore) Limited	8.	Alampara Hotels and Resorts Private Limited
9.	Lakshmi Technology and Engineering Industries Limited	10.	Super Sales India Limited
11.	The Lakshmi Mills Company Limited		

**Membership in Committees:**

Lakshmi Machine Works Limited	Chairman - Shares & Debentures Committee Corporate Social Responsibility Committee Risk Management Committee
Super Sales India Limited	Share Transfer Committee - Chairman
Carborundum Universal Limited	Audit Committee - Member
Lakshmi Cargo Company Limited	Corporate Social Responsibility Committee - Chairman Audit Committee - Member
Lakshmi Life Sciences Limited	Corporate Social Responsibility Committee - Chairman

No. of shares held in the Company: Nil.

No. of shares held in Subsidiary Company: NA

Terms of appointment / re-appointment: Liable to retire by rotation.

Date of appointment as Director in the Company: 21.06.1989

**Directors' inter-se relationship:**

None of the Directors of the Company is related to Sri. Sanjay Jayavarthanavelu except Smt. Nethra J.S. Kumar as sister.

The sitting fees received and the number of Board meetings attended are provided in the Corporate Governance Report. No remuneration is proposed to be paid except sitting fees

**2. Profile of Smt. Nethra J.S.Kumar (DIN: 00217906)**

Smt.Nethra J.S.Kumar, aged 44 years is a Management Degree holder. She has a sound business acumen and has good experience in the manufacturing, administration, finance, etc. She is the present Chairperson of CII, Coimbatore zone.

**She holds Directorships in the following companies:**

1.	Harshni Textiles Ltd	2.	Starline Travels Limited
3.	Lakshmi Electrical Drives Limited	4.	Ramlakshmi Agro Farms Private Limited
5.	Lakshmi Precision Tools Limited	6.	Ramlakshmi Agro Plantations Private Limited
7.	Integrated Electrical Controls India Ltd	8.	Ramlakshmi Plantations Private Limited
9.	Walzer Hotels and Resorts Private Limited	10.	Ramlakshmi Holdings Private Limited
11.	Eshaan Enterprises Ltd	12.	Supreme Dairy Products India Private Limited
13.	Venkatavaradhaa Agencies Private Ltd	14.	Lakshmi Energy and Environment Designs Ltd
15.	Sun Spintex India Ltd	16.	Lakshmi Electrical Control Systems Limited

# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

## Membership in Committees:

Lakshmi Electrical Control Systems Limited	Member - Corporate Social Responsibility Committee Stakeholders Relationship Committee Share Transfer Committee
Lakshmi Precision Tools Limited	Chairperson - Stakeholders Relationship Committee Share Transfer Committee
Lakshmi Electrical Drives Limited	Corporate Social Responsibility Committee - Member

No. of shares held in the Company: 4,97,337.

No. of shares held in Subsidiary Company : NA

Terms of appointment / re-appointment: Terms of re-appointment as Managing Director is provided in the AGM Notice.

Date of appointment: 23.10.2000

## Directors' inter-se relationship:

None of the Directors of the Company is related to Smt.Nethra J.S.Kumar except Sri.Sanjay Jayavarthanavelu as brother and Sri.D.Senthilkumar as husband.

The remuneration drawn and the number of Board meetings attended are provided in the Corporate Governance Report. The remuneration proposed is provided in the AGM Notice and the last drawn remuneration is provided in the Corporate Governance Report.

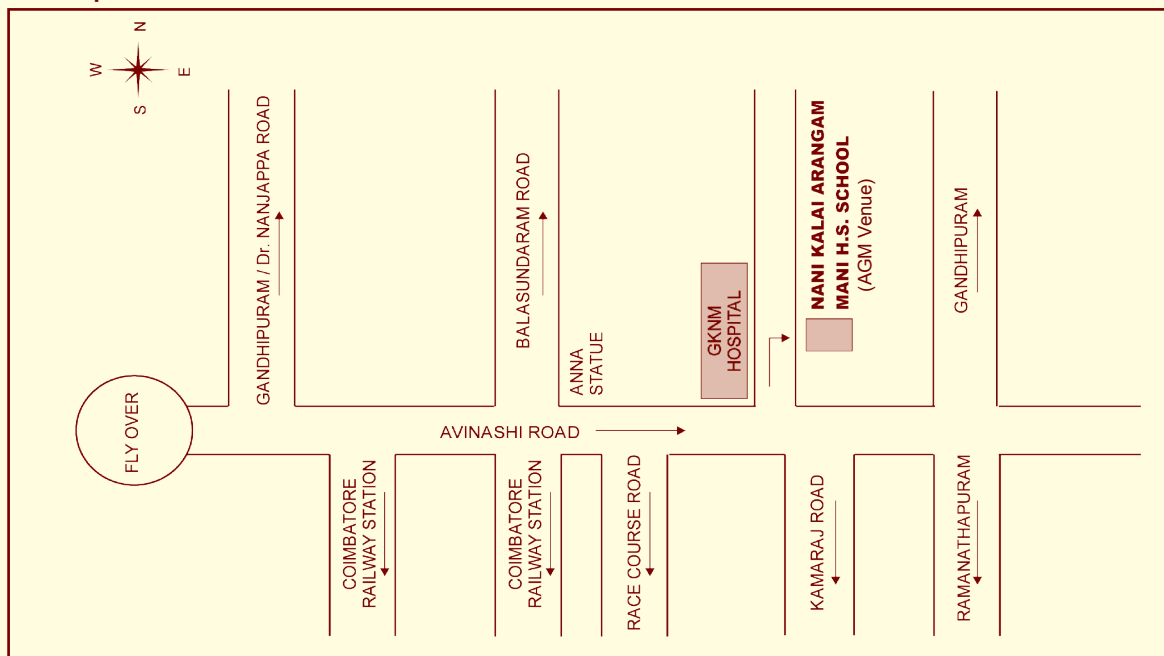
By order of the Board

Place : Coimbatore

Date : July 1, 2016

**S. Sathyanarayanan**  
Company Secretary

## Route Map for the AGM Venue



## DIRECTORS' REPORT

### Lakshmi Electrical Control Systems Limited

CIN : L31200TZ1981PLC001124

Registered Office:34-A, Kamaraj Road, Coimbatore - 641 018.

Tel : +91 422 3093500

Email : lecs@vsnl.com

Website : www.lecsindia.com

### Board of Directors' Report to Shareholders

Dear Shareholders,

The Board of Directors of your Company are pleased to present the Thirty Fifth Annual Report on the business and commercial operations of the Company alongwith the standalone summary financial statements for the year ended 31st March, 2016.

#### 1. The State of Affairs of the Company, Dividend & Reserve:

##### Financial summary/highlights & transfer to General Reserve:

Financial Results	Current Year Ended 31-03-2016 (Amount in Rs )	Previous Year Ended 31-03-2015 (Amount in Rs )
Sales and Other Income	1,89,27,84,196	1,85,98,22,697
<b>Gross Profit</b>	<b>15,00,20,440</b>	<b>13,47,94,384</b>
Less: Depreciation	1,90,00,347	1,17,25,103
<b>Net Profit / (Loss)</b>	<b>13,10,20,093</b>	<b>12,30,69,281</b>
Prior year Income	—	—
Add : Excess provision for IT for earlier years reversed	43,393	—
Less: Prior year expenses / extra ordinary items	—	—
Provision for Taxation	3,68,09,304	3,18,43,528
Provision for Deferred Tax	82,01,216	83,02,962
Income tax for earlier years	62,548	5,64,456
Add : Surplus brought forward	22,39,17,550	17,33,02,847
Less: WDV of Assets transferred as per Sch II	—	16,24,519
Add : Deferred Tax on WDV transferred as per Sch II	—	5,27,075
<b>Available for appropriation</b>	<b>30,99,07,968</b>	<b>25,45,63,738</b>
<b>Appropriations:</b>		
Proposed Dividend	1,96,64,000	1,72,06,000
Provision for corporate tax on dividend	40,03,128	34,40,188
Transfer to general reserve	1,00,00,000	1,00,00,000
Balance carried forward	27,62,40,840	22,39,17,550
<b>Total</b>	<b>30,99,07,968</b>	<b>25,45,63,738</b>

# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

## **Dividend:**

The Board recommends a dividend of ₹ 8/- (Rupees Eight only) per equity share of the face value of ₹10 (Rupees Ten only) each (80%) on the equity share capital of ₹ 2,45,80,000/- for the year ended on 31st March, 2016 aggregating to ₹ 1,96,64,000/- (Rupees One Crore Ninety Six Lakhs Sixty Four Thousand only) and to pay a dividend tax of ₹ 40,03,128/- (Rupees Forty Lakhs Three Thousand One Hundred Twenty Eight only). The total dividend payout works out to 27.52% of the net profit for the standalone results. The dividend on equity shares is subject to the approval of the shareholders at the Annual General Meeting.

In terms of Section 125 of the Companies Act, 2013, any unclaimed or unpaid Dividend relating to the financial year 2008-09, is due for remittance on 30th August, 2016 to the Investor Education and Protection Fund established by the Central Government.

## **Transfer to reserves :**

Your Company proposes to transfer ₹ 1,00,00,000/- (Rupees One Crore only) to the General Reserve

## **Business and Operations**

During the year under review, the Company has achieved a turnover of ₹ 18,704 Lakhs as against ₹ 18,209 Lakhs for the previous year.

The profit before interest and depreciation was ₹ 1,546 lakhs as against ₹ 1,374 lakhs for the previous year. The profit before tax was ₹ 1,310.20 lakhs as against ₹ 1,230.69 lakhs during the previous year.

During the year under review the turnover has increased by 2.72 % over the previous year and the profit before tax has increased by 6.46 % over the same period last year

## **Industrial Relations**

Relationship with employees was cordial throughout the year.

## **2. Extracts of Annual Return**

As per requirements of the Companies Act, 2013, the extract of annual return in the prescribed Form MGT 9 is annexed hereto as Annexure 1 forming part of the report.

## **3. Number of Meetings of the Board**

Details of number of meetings of Board of Directors and committees thereof and the attendance of the Directors in such meetings are provided under the Corporate Governance Report.

## **4. Directors' Responsibility Statement**

In terms of Section 134(3)(c) of the Companies Act, 2013, the Directors confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures from the same;
- b. have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c. have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. have prepared the annual accounts on a going concern basis; and
- e. have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f. have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **5. No Frauds reported by statutory auditors**

There is no instance of frauds reported by the statutory auditors of the Company for the financial year under review under sub Section (12) of Section 143 of the Companies Act, 2013.

**6. Declaration by Independent Directors**

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

**7. Nomination and Remuneration Committee and Policy**

As per the requirements of the provisions of the Companies Act, 2013, a Nomination and Remuneration Committee of directors was formed by the Board of Directors consisting of:

1. Sri. N. Suryakumar, Chairman (Non-Executive – Independent)
2. Sri. Ramesh Rudrappan, Member (Non-Executive – Independent)
3. Sri. Arun Selvaraj, Member (Non-Executive – Independent)

The said committee has been empowered and authorised to exercise widest power as entrusted under the provisions of Section 178 of the Companies Act, 2013. The Company has a policy on directors’ appointment and remuneration including criteria for determining qualification, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178. The salient aspects covered in the Nomination and Remuneration Policy have been outlined in the Corporate Governance Report and the policy is available on the company’s website at [www.lecsindia.com](http://www.lecsindia.com).

**8. Auditors Comments**

There are no adverse comments in the reports of Statutory Auditors (appearing elsewhere in the Annual Report) and that of the Secretarial Auditors (annexed hereto as Annexure 2).

**9. Particulars of Loans/Guarantee/Investments**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements

**10. Particulars of Contracts with Related Party**

The material related party transactions during the financial year is provided in Form AOC-2 and annexed to the Boards’ Report as Annexure 3.

**11. Material Changes and Commitments**

There were no material changes and commitments affecting the financial position of the Company occurred between the end of financial year (March 31, 2016) to which this financial statements relate and the date of this Report.

**12. Conservation of Energy, Technology Absorption & Foreign Exchange**

The disclosures under Rule 8(3) of Companies (Accounts) Rules, 2014 are as under:

**Statement for Conservation of Energy**

Sl No.	Particulars	Related Disclosures
	<b>Conservation of Energy</b>	
(i)	Steps taken or impact on conservation of energy	Energy meters installed for all production machineries and utilities for capturing the energy consumption data, analysis is done and potential areas for reduction of usage of power are identified with a view to implement the same in the financial year 2016-2017.
(ii)	Steps taken by the company for utilising alternate sources of energy	The steps are taken for captive consumption of power generated through windmills and the same is expected to be completed during the course of the financial year 2016-2017.



## LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

(iii)	Capital investment on energy conservation equipments;	Nil
-------	---	-----

### Technology absorption, adaptation and innovation

S.No.	Particulars	Disclosure
(i)	Efforts made towards technology absorption;	No technology or knowhow is brought from external bodies or imported
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution;	In house developmental and operational research activities are carried out on regular basis. Innovations in processes and tool designs have contributed to cost reduction in the operations.
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): (a) the details of technology imported; (b) the year of import (c) whether the technology has been fully absorbed (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	No technology was imported during the last three years
(iv)	The expenditure incurred on Research and Development	Capital Expenditure: ₹ 14.67 Lakhs Revenue Expenditure: ₹ 23.01 Lakhs Total Expenditure: ₹ 37.68 Lakhs

### FOREIGN EXCHANGE OUTGO AND EARNINGS:

₹ in Lakhs

Foreign Exchange earned through exports amount to:	-Nil-
Foreign Exchange used	18.89

### 13. Risk Management

The Company follows a comprehensive and integrated risk appraisal, mitigation and management process. The risk management process of the Company is being periodically reviewed for improvement by the Board of Directors.

### 14. Corporate Social Responsibility (CSR):

The Company has constituted a CSR committee of Board of Directors and has adopted a CSR Policy. The same is posted in the company's website [www.lecsindia.com](http://www.lecsindia.com) A report in prescribed format detailing the CSR spend for the year 2015-16 is attached herewith as Annexure 4 forming a part of this report.

### 15. Evaluation of Board's Performance:

On the advice of the Board of Directors, the Nomination and Remuneration Committee of Board of Directors of the Company have formulated the criteria for the evaluation of the performance of Board of Individual Directors, Board as a whole, Committees of Directors, Independent Directors, Non-Independent Directors and the Chairperson of the Board. Based on that performance evaluation has been undertaken. The Independent Directors of the company have also convened a separate meeting for this purpose. All the results and evaluation has been communicated to the Chairperson of the Board of Directors.

## 16. Additional Disclosures:

As per Rule 8(5) of the Companies (Accounts) Rule, 2014, the following additional information is provided:

S.No	Particulars	Related Disclosures
(i)	The financial summary or highlights.	The financial highlights including State of Affairs of the Company, Dividend & Reserve is provided in this report.
(ii)	The change in the nature of business, if any.	There is no change in the business line of the company.
(iii)	The details of directors or key managerial personnel who were appointed or have resigned during the year.	Sri.R.Venkatesh Prasad, Executive Director & CFO has resigned and relieved with effect from 30th June, 2015.  The Board of Directors have appointed Sri S.Sathyarayanan as Company Secretary of the Company with effect from 13th August, 2015 and Sri.B.K.Ravi Kumar as Chief Financial Officer of the Company with effect from 28th October, 2015.
(iv)	The names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year.	Harshni Textiles Limited ceased to be an associate company during the financial year under review.
(v)	The details relating to deposits, covered under Chapter V of the Act.	The company has not accepted deposits.
(vi)	The details of deposits which are not in compliance with the requirements of Chapter V of the Act.	Not Applicable.
(vii)	The details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.	Nil
(viii)	The details in respect of adequacy of internal financial controls with reference to the Financial Statements.	The Company has implemented and evaluated the Internal Financial Controls which provide a reasonable assurance.  The Directors and Management confirm that the Internal Financial Controls (IFC) are adequate with respect to the operations of the Company. A report of Auditors pursuant to Section 143(3) (i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Controls is annexed with the Auditors report.

## 17. Internal Control systems and their Adequacy:

Your Company has established adequate internal control procedures, commensurate with the nature of its business and size of its operations.

The accounting transactions and operations are audited by the Internal Auditor vis.a.vis the internal controls, policies and procedures and the deviations, if any, are reported and corrective actions are taken appropriately.

## 18. Re-appointment of retiring directors:

Sri. Sanjay Jayavarthanelu, Director, who retires by rotation at the ensuing Annual General Meeting, being eligible offers himself for re-appointment. The Board recommends his re-appointment in the forthcoming Annual General Meeting.

# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

## 19. Resignation of Director

There was no incidence of resignation of Director.

## 20. Composition of Audit Committee

The Audit Committee was formed by the Board of Directors and consists of:

1	Sri. N.Suryakumar	Chairman (Non-Executive– Independent)
2	Sri. A.Palaniappan	Member (Non-Executive – Independent)
3	Sri. Ramesh Rudrappan	Member (Non-Executive – Independent)

The Board has accepted the recommendations of the committee and there were no incidences of deviation from such recommendations during the financial year under review.

## 21. Vigil Mechanism:

The Company has devised a vigil mechanism in the form of a Whistle Blower Policy in pursuance of provisions of Section 177(10) of the Companies Act, 2013 and details whereof is available on the company's website at [www.lecsindia.com](http://www.lecsindia.com). During the year under review, there were no complaints received under this mechanism.

## 22. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

As per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee. During the year 2015-16, no complaint was received before the committee.

## 23. Overall Maximum Remuneration

Particulars pursuant to Section 197(12) & rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules:

a) The ratio of the remuneration of each director to the median employee's remuneration for the financial year and such other details as prescribed is as given below:

Name	Category	Ratio
Smt. Nethra J.S.Kumar	Executive – Chairperson and Managing Director	1:20
Sri. N.Suryakumar	Non-Executive - Independent	–
Sri. Sanjay Jayavarthanavelu	Non-Executive – Non Independent	–
Sri. D.Senthilkumar	Non-Executive – Non Independent	–
Sri. Ramesh Rudrappan	Non-Executive - Independent	–
Sri. A.Palaniappan	Non-Executive - Independent	–
Sri. Arun Selvaraj	Non-Executive – Independent	–

Note: For this purpose, Sitting fees paid to the Directors have not been considered as remuneration.

b) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name	Category	%
Smt. Nethra J.S.Kumar	Executive – Chairperson and Managing Director	5.68
Sri. N.Suryakumar	Non-Executive – Independent Director	–
Sri. Sanjay Jayavarthanavelu	Non-Executive – Non Independent Director	–
Sri. D.Senthilkumar	Non-Executive – Non Independent Director	–
Sri. Ramesh Rudrappan	Non-Executive – Independent Director	–
Sri. A.Palaniappan	Non-Executive – Independent Director	–
Sri. Arun Selvaraj	Non-Executive – Independent Director	–
Sri. B.K.Ravi Kumar*	Chief Financial Officer (CFO)	–
Sri. S.Sathyanarayanan*	Company Secretary	–

Note: For this purpose, Sitting fees paid to the Directors have not been considered as remuneration.

\* CFO and Company Secretary were appointed in the course of the financial year and hence the previous financial year data is not available for comparison.

- c) The percentage increase in the median remuneration of employees in the financial year: 30.17%
- d) The number of permanent employees on the rolls of company: 241
- e) The explanation on the relationship between average increase in remuneration and company performance:

Company's PAT has grown from ₹823.58 Lakhs during 2014-15 to ₹859.90 Lakhs during 2015-16, an increase of 4.41% against which the average increase in remuneration is 17.15%; and this increase is aligned with the Remuneration Policy of the Company.

- f) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

Name	Designation	Remuneration, (CTC) (in ₹)	% increase in CTC	PAT (₹ in Lakhs)	% increase in PAT
Smt. Nethra J.S.Kumar #	Chairperson and Managing Director	80,00,937	5.68	859.90	4.41
Sri. B.K.Ravi Kumar*	Chief Financial Officer (CFO)	5,94,234	-	859.90	4.41
Sri. S.Sathyarayanan*	Company Secretary	7,39,205	-	859.90	4.41

#The remuneration includes Commission ₹ 9,92,937/-, Company's Contribution to provident fund ₹ 7,20,000/-, Gratuity contribution – ₹ 2,88,000/- and excludes Leave entitlement ₹ 4,98,992/-

\* CFO and Company Secretary were appointed in the course of the financial year and hence the previous financial year data is not available for comparison.

- g) Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2015
Market Capitalisation of the Company (₹ in Lakhs)	8571	7873
Issued Capital (in Nos.)	2458000	2458000
Closing Price at BSE Ltd (in ₹)	348.70	320.30
Earnings Per Share (in ₹)	34.98	33.51
Price Earnings Ratio as at the closing date	9.97	9.56

Note: Percentage increase over decrease in market quotations of the shares of the Company in comparison with the last public offer is not applicable as the last public offer was in 1984 and the data is incomparable.

- h) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:

Average increase in remuneration is 17.54% for employees other than Managerial Personnel and KMP while it is 5.68% for Managerial Personnel (KMP and Senior Management).

- i) The Key Parameters for any variable component of the remuneration availed by the Directors:

## LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

The remuneration of Chairperson and Managing Director consists of a Commission paid at the rate of 4%. Besides the above there are no variable components in Managerial Remuneration.

- j) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: Nil
- k) Affirmation that the remuneration is as per the remuneration policy of the Company: Yes.
- l) Particulars of Employees: [Rule 5(2) and Rule 5(3) of Companies (Appointment & Remuneration of Managerial Personnel Rules, 2014):

Name (Age in Years)	Designation	Gross Remuneration Paid (in ₹)	Qualification	Date of commencement of employment (Experience in Years)	Previous employment
Smt.Nethra J.S.Kumar (44 years)	Chairperson and Managing Director	80,00,937	Management degree	23-10-2000 (15 Years )	Nil

- Note:** 1. The remuneration includes Commission ₹ 9,92,937/-, Company's Contribution to provident fund ₹ 7,20,000/-, Gratuity contribution – ₹ 2,88,000/- and excludes Leave entitlement ₹ 4,98,992/-. Employment is contractual.
2. The above mentioned employee is not relative (in terms of the Companies Act, 2013) of any director of the Company except Sri. D.Senthil Kumar, Director and Sri. Sanjay Jayavarthanavelu, Director. Further no employee of the Company is covered by the Rule 5(2)(iii) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, that is employee holding by himself or with this family shares of 2% or more in the Company and drawing remuneration in excess of the Managing Director.
3. The remuneration details are for the year 2015-16 and all other particulars are as on 31st March, 2016.

### 24. Comments u/s 232(2)(c) and Schedule V Part II Section II

Since the Company does not belong to the specified class of the companies, the above cited provisions of the Companies Act, 2013 is not applicable to the Company.

### 25. Corporate Governance:

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and erstwhile Clause 49 of the Listing Agreement for part of the financial year, a separate section on Corporate Governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

The shares of the Company is listed in BSE Limited, Mumbai. The listing fees is paid up to date and the shares of the Company were not suspended for trading by the Stock Exchange at any time during the year under review.

### 26. Auditors:

#### Statutory Auditors:

The Company's Auditors, M/s N.R.Doraiswami & Co, Chartered Accountants hold the office till the conclusion of the ensuing Annual General Meeting. As per provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the present statutory auditors of the Company who have completed a period of 10 years as on 1st April, 2014 are not eligible for re-appointment after the period of 3 years from the commencement of the Companies Act, 2013.

In order to ensure smooth transition, it is proposed to appoint one more Auditor as a joint Statutory Auditor for the financial year 2016-17 and the said auditor will continue as a Statutory Auditor of the Company for a term of five years. It is proposed to appoint M/s. Subbachar & Srinivasan, Chartered Accountants as Statutory Auditor 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.

For the financial year 2016-17, M/s N.R.Doraiswami & Co, Chartered Accountants and M/s. Subbachar & Srinivasan, Chartered Accountants will be the joint Statutory Auditors. M/s N.R.Doraiswami & Co, Chartered Accountants will retire at the Annual General Meeting to be held in the year 2017. The auditors have consented and confirmed their eligibility for appointment as statutory auditors of the Company.

**Secretarial Auditor:**

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. MDS & Associates, Coimbatore, Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2016-17

**27. Acknowledgements**

Your Directors thank the Customers, Bankers, Vendors, Shareholders and other Stakeholders for their continued support and patronage.

The Directors wish to place on record their appreciation for the cooperation and contribution made by the employees at all levels towards the progress of the Company.

On behalf of the Board

Place : Coimbatore

Date : July 1, 2016

**Nethra J.S. Kumar**

Chairperson and Managing Director

(DIN : 00217906)

**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on 31st March, 2016**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

CIN	L31200TZ1981PLC001124
Registration Date	03.12.1981
Name of the Company	Lakshmi Electrical Control Systems Limited
Category / Sub-Category of the Company	Company limited by shares
Address of the Registered office and contact details	34-A, Kamaraj Road, Coimbatore - 641 018 Ph:0422-3028110
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. S.K.D.C. Consultants Ltd. Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641 006. Tel no. : 0422 - 6549995, 2539835-36, Fax : 2539837 E-mail : info@skdc-consultants.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Control Panel	8537	83.73%
2	Plastic Components	8448	14.97%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
<b>NIL</b>					

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise Share Holding

	No of Shares held at the beginning of the year				No of Shares held at the end of the year				% of change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	512187	-	512187	20.84	512187	-	512187	20.84	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	131206	-	131206	5.34	172756	-	172756	7.02	1.68
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):</b>	<b>643393</b>	<b>-</b>	<b>643393</b>	<b>26.18</b>	<b>684943</b>	<b>-</b>	<b>684943</b>	<b>27.87</b>	<b>1.68</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>643393</b>	<b>-</b>	<b>643393</b>	<b>26.18</b>	<b>684943</b>	<b>-</b>	<b>684943</b>	<b>27.87</b>	<b>1.68</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	50	-	50	0.00	50	-	50	0.00	-
b) Banks / FI	150	50	200	0.01	150	50	200	0.01	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):</b>	<b>200</b>	<b>50</b>	<b>250</b>	<b>0.01</b>	<b>200</b>	<b>50</b>	<b>250</b>	<b>0.01</b>	<b>-</b>
<b>2. Non- Institutions</b>									
a) Bodies Corp.									
i) Indian	345736	827	346563	14.10	316271	827	317098	12.90	-1.20
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1004814	177497	1182311	48.10	1047196	169902	1217098	49.52	1.42
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	178212	-	178212	7.25	139466	-	139466	5.67	-1.58
c) Others(specify)									
(i) Directors & their Relatives	103	-	103	0.00	-	-	-	-	-
(ii) Foreign Nationals	25	-	25	0.00	25	-	25	0.00	-
(iii) Non Resident Indians	26520	526	27046	1.10	19975	526	20501	0.83	-0.27
(iv) Overseas Corporate Bodies	-	1150	1150	0.05	-	1150	1150	0.05	-
(v) Clearing Members	17745	-	17745	0.72	8836	-	8836	0.36	-0.36
(c-iv) Hindu Undivided Families	61202	-	61202	2.49	68633	-	68633	2.79	0.30
<b>Sub-total (B)(2):</b>	<b>1634557</b>	<b>180000</b>	<b>1814357</b>	<b>73.81</b>	<b>1600402</b>	<b>172405</b>	<b>1772807</b>	<b>72.12</b>	<b>-1.69</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>1634557</b>	<b>180050</b>	<b>1814607</b>	<b>73.82</b>	<b>1600602</b>	<b>172455</b>	<b>1773057</b>	<b>72.13</b>	<b>-1.69</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B+C)</b>	<b>2277950</b>	<b>180050</b>	<b>2458000</b>	<b>100.00</b>	<b>2285545</b>	<b>172455</b>	<b>2458000</b>	<b>100.00</b>	<b>0</b>



# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

## (ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Lakshmi Electrical Drives Limited	131206	5.34	0.00	172756	7.03	0.00	1.69
2	Nethra J.S. Kumar	497337	20.23	0.00	497337	20.23	0.00	–
3	D. Senthilkumar	14750	0.60	0.00	100	0.00	0.00	–
4	Vedhant S.Kumar				14650	0.60	0.00	–
5	D. Thayammal	100	0.00	0.00	100	0.00	0.00	–
	<b>Total</b>	<b>643393</b>	<b>26.18</b>	<b>0.00</b>	<b>684943</b>	<b>27.87</b>	<b>0.00</b>	<b>1.69</b>

## (iii) Change in Promoters' Shareholding (please specify, if there is no change)

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Lakshmi Electrical Drives Limited				
	At the beginning of the year	131206	5.34	131206	5.34
2	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus / sweat equity etc): 23.03.2016 – Shares increase by way of transfer	41550	1.69	41550	1.69
3	At the End of the year			172756	7.03

\* No change in shareholding of other promoters

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Reason	Increase / Decrease in Shareholding		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ASK Securities Advisory Services	105000	4.27	31.03.2016	At the end of the year	105000	4.27	105000	4.27
2	Shankar Resources Pvt Ltd	101000	4.11	31.03.2016	At the end of the year	101000	4.11	101000	4.11

3	Prescient Securities Private Limited	41550	1.69					41550	1.69
				25.03.2016	Sale	41550	1.69	–	–
				31.03.2016	At the end of the year			–	–
4	Madhukar Sheth	31706	1.29					31706	1.29
				20.11.2015	Sale	31706	1.29	–	–
				31.03.2016	At the end of the year			–	–
5	Dipak Kanayalal Shah	26000	1.06					26000	1.06
				04.12.2015	Purchase	100	0.00	26100	1.06
				31.03.2016	At the end of the year			26100	1.06
6	Narmada Appliances Private Limited	25000	1.02					25000	1.02
				31.03.2016	At the end of the year			25000	1.02
7	Mukesh Chimanlal Patani	20000	0.81					20000	0.81
				31.03.2016	At the end of the year			20000	0.81
8	Purnima Mukesh Patani	18170	0.74					18170	0.74
				17.04.2015	Sale	8925	0.36	9245	0.38
				31.03.2016	At the end of the year			9245	0.38
9	Bhavanji Vershi Shah	16366	0.67					16366	0.67
				10.04.2015	Sale	9500	0.39	6866	0.28
				31.03.2016	At the end of the year			6866	0.28
10	Bhumika Consultancy Pvt Ltd	16088	0.65					16088	0.65
				10.04.2015	Sale	7647	0.31	8441	0.34
				17.04.2015	Purchase	990	0.04	9431	0.38
				24.04.2015	Purchase	60	0.00	9491	0.38
				01.05.2015	Purchase	1005	0.04	10496	0.43
				08.05.2015	Purchase	551	0.02	11047	0.45
				15.05.2015	Purchase	755	0.03	11802	0.48
				22.05.2015	Sale	1896	0.08	9906	0.40
				29.05.2015	Purchase	125	0.01	10031	0.41
				05.06.2015	Purchase	1413	0.06	11444	0.47
				12.06.2015	Purchase	72	0.00	11516	0.47
				19.06.2015	Sale	596	0.02	10920	0.44
				26.06.2015	Purchase	905	0.04	11825	0.48
				30.06.2015	Purchase	340	0.01	12165	0.49
				03.07.2015	Purchase	703	0.03	12868	0.52
				10.07.2015	Sale	140	0.01	12728	0.52
				17.07.2015	Purchase	3101	0.13	15829	0.64
				24.07.2015	Purchase	3422	0.14	19251	0.78

# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

				31.07.2015	Sale	5597	0.23	13654	0.56
				07.08.2015	Purchase	1367	0.06	15021	0.61
				14.08.2015	Purchase	2049	0.08	17070	0.69
				21.08.2015	Sale	1907	0.08	15163	0.62
				28.08.2015	Sale	882	0.04	14281	0.58
				04.09.2015	Purchase	19	0.00	14300	0.58
				11.09.2015	Sale	572	0.02	13728	0.56
				25.09.2015	Purchase	352	0.01	14080	0.57
				30.09.2015	Purchase	110	0.00	14190	0.58
				02.10.2015	Purchase	104	0.00	14294	0.58
				09.10.2015	Purchase	629	0.03	14923	0.61
				16.10.2015	Purchase	341	0.01	15264	0.62
				23.10.2015	Sale	71	0.01	15193	0.62
				30.10.2015	Purchase	1	0.00	15194	0.62
				06.11.2015	Purchase	31	0.00	15225	0.62
				13.11.2015	Purchase	468	0.02	15693	0.64
				20.11.2015	Purchase	280	0.01	15973	0.65
				27.11.2015	Sale	5525	0.22	10448	0.43
				04.12.2015	Purchase	1338	0.05	11786	0.48
				11.12.2015	Sale	2918	0.12	8868	0.36
				18.12.2015	Sale	310	0.01	8558	0.35
				25.12.2015	Sale	396	0.02	8162	0.33
				31.12.2015	Purchase	1581	0.06	9743	0.40
				08.01.2016	Purchase	850	0.03	10593	0.43
				15.01.2016	Purchase	1623	0.07	12216	0.50
				22.01.2016	Purchase	509	0.02	12725	0.52
				29.01.2016	Purchase	1335	0.05	14060	0.57
				05.02.2016	Purchase	1719	0.07	15779	0.64
				12.02.2016	Purchase	1351	0.05	17130	0.70
				19.02.2016	Purchase	459	0.02	17589	0.72
				26.02.2016	Purchase	1074	0.04	18663	0.76
				04.03.2016	Purchase	205	0.01	18868	0.77
				11.03.2016	Purchase	469	0.02	19337	0.79
				18.03.2016	Purchase	365	0.01	19702	0.80
				25.03.2016	Purchase	600	0.02	20302	0.83
				31.03.2016	Purchase	69	0.00	20371	0.83
				31.03.2016	At the end of the year			20371	0.83

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Increase / Decrease in Shareholding		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>Share Holding of Directors :</b>							
1.	Sri. N. Suryakumar	103	0.00	22.03.2016 (Sale)	103	0.00	0	0.00
2	Sri. D. Senthikumar	14750	0.60				100	0.00
3	<b>Shareholding of Key Managerial Personnel :</b>							
	Smt. Nethra J.S. Kumar (Chairperson & Managing Director)	497337	20.23				497337	20.23
	At the end of the year						497337	20.23
4	Sri. B.K. Ravi Kumar (CFO)	-	-	-	-	-	-	-
5	Sri. S. Sathyanarayanan Company Secretary	-	-	-	-	-	-	-

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Amount in ₹.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	93,52,416	—	—	93,52,416
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	93,52,416	—	—	93,52,416
<b>Change in Indebtedness during the financial year</b>				
· Addition	1,83,95,952	—	—	1,83,95,952
· Reduction	—	—	—	—
<b>Net Change</b>	1,83,95,952	—	—	1,83,95,952
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	2,77,48,368	—	—	2,77,48,368
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	2,77,48,368	—	—	2,77,48,368

# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Director and/or Manager:

Amount in ₹.

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	
		Smt. Nethra J.S. Kumar Chairperson & Managing Director	
		Total Amount	
1.	Gross salary	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60,00,000	60,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify...	9,92,937 -	9,92,937 -
5.	Others, please specify	-	-
	Total (A)	69,92,937	69,92,937
	Ceiling as per the Act	69,92,937	69,92,937

### B. Remuneration to other directors:

#### 1. Independent Directors

Amount in ₹.

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Sri.N.Surya kumar	Sri.Ramesh Rudrappan	Sri.A.Palaniappan	Sri.Arun Selvaraj	
a)	- Fee for attending board & committee meetings	2,10,000	1,95,000	1,65,000	1,65,000	7,35,000
b)	- Commission	-	-	-	-	-
c)	- Others, please specify	-	-	-	-	-
	Total (1)					7,35,000

#### 2. Other Non-Executive Directors

Sl. No.	Particulars of Remuneration	Sri.Sanjay Jayavarthanavelu	Sri.D.Senthilkumar	Total Amount
a)	- Fee for attending board & committee meetings	60,000	1,35,000	1,95,000
b)	- Commission	-	-	-
c)	- Others, please specify	-	-	-
	Total (2)			1,95,000
	Total (B)=(1+2)			9,30,000
	Total Managerial Remuneration			69,92,937
	Overall Ceiling as per the Act			1,53,84,461

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO	CS	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	5,94,234	7,39,205	13,33,439
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - Others, specify...	- -	- -	- -
5.	Others, please specify	-	-	-
	<b>Total</b>	<b>5,94,234</b>	<b>7,39,205</b>	<b>13,33,439</b>

Note: CFO was appointed with effect from 28th October 2015 & Company Secretary was appointed with effect from 13th August 2015.

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty Punishment Compounding			None		
<b>B. DIRECTORS</b>					
Penalty Punishment Compounding			None		
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty Punishment Compounding			None		

On behalf of the Board

Place : Coimbatore  
Date : July 1, 2016

**Nethra J.S. Kumar**  
Chairperson and Managing Director  
(DIN : 00217906)

**SECRETARIAL AUDIT REPORT**

**FORM NO. MR-3**

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2016**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,  
Lakshmi Electrical Control Systems Limited  
(CIN: L31200TZ1981PLC001124)  
No.34A, Kamaraj Road  
Coimbatore - 641018

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Lakshmi Electrical Control Systems Limited** (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of **M/s. Lakshmi Electrical Control Systems Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended **31<sup>st</sup> March, 2016**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2016 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Companies Act, 1956 (the Act) and the rules made thereunder (to the extent applicable);
- iii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iv. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- v. The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Enforced from 1<sup>st</sup> December 2015);
  - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (Till 14<sup>th</sup> May 2015) and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Enforced from 15<sup>th</sup> May 2015); and
  - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;

I have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards with respect to Board Meetings (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI) and made applicable with effect from 1<sup>st</sup> July 2015
- b. Listing Agreement entered into by the Company with BSE Limited

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Standards, etc., mentioned above.

I further report that, during the year under review, there were no actions/events in pursuance of the following Rules/Regulations requiring compliance thereof by the Company:

- a. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- c. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

I further report that based on the information provided by the Company, its officers and authorized representatives there are no laws specifically applicable to the Company.

I further report that having regard to the compliance system prevailing in the Company and on the review of quarterly compliance reports taken on record by the Board of Directors and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the labour laws and environmental laws as applicable to the Company.

I further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same has been subject to review by statutory financial auditor and other designated professionals.

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board meetings and Committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period, there were no instances of:

- Public / Rights / Preferential issue of shares / debentures / sweat equity
- Redemption / buy-back of securities
- Major decision taken by the members in pursuant to section 180 of the Companies Act, 2013
- Merger / amalgamation / reconstruction etc
- Foreign technical collaborations

Place : Coimbatore

Date : July 1, 2016

**M D SELVARAJ**  
MDS & Associates  
Company Secretaries  
FCS No.: 960; C P No.: 411

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.



# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

**'Annexure A'**

To

The Members,  
Lakshmi Electrical Control Systems Limited  
CIN: L31200TZ1981PLC001124  
No.34A, Kamaraj Road  
Coimbatore - 641018

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulation, standards is the responsibility of management. My examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Coimbatore  
Date: July 1, 2016

**M D SELVARAJ**  
MDS & Associates  
Company Secretaries  
FCS No.: 960; C P No.: 411

**FORM No. AOC - 2**

**ANNEXURE 3**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2)  
of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis
  - a) Name(s) of the related party and nature of relationship- Nil
  - b) Nature of contracts/arrangements/transactions: NA
  - c) Duration of the contracts/arrangements/transactions NA
  - d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
  - e) Justification for entering into such contracts or arrangements or transactions: NA
  - f) Date(s) of approval by the Board: NA
  - g) Amount paid as advances, if any: NA
  - h) Date on which the special resolution was passed in general meeting required under first proviso to section 188: NA
  
2. Details of material contracts or arrangement or transactions at arm's length basis  
(Exceeding 10% of the annual consolidated turnover of the company as per the last audited financial statements of the company.)

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Lakshmi Machine Works Limited	Purchase of goods, Sale of goods, Rendering of Services, Receiving of Services	1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2020	Price charged for the transactions shall be based on the prevailing market price and shall not be less than the price charged for such transactions to unrelated third party customers having such dealings or transactions with them.	05.02.2015	-
Lakshmi Precision Tools Limited	Purchase of goods, Sale of goods, Rendering of Services, Receiving of Services	1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2020	Price charged for the transactions shall be based on the prevailing market price and shall not be less than the price charged for such transactions to unrelated third party customers having such dealings or transactions with them.	05.02.2015	-

On behalf of the Board

**Nethra J.S. Kumar**

Chairperson and Managing Director

(DIN : 00217906)

**CORPORATE SOCIAL RESPONSIBILITY**

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	: CSR Policy is stated herein below in the Weblink: <a href="http://www.lecsindia.com/financial/Policies/CSR_policy.Pdf">http://www.lecsindia.com/financial/Policies/CSR_policy.Pdf</a>
2. The Composition of the CSR Committee.	: Sri. D. Senthilkumar (Non Executive Director) Smt. Nethra J.S.Kumar (Executive - Chairperson and Managing Director) Sri. Arun Selvaraj (Non Executive - Independent Director)
3. Average net profit of the company for last three financial years.	: Rs.921.06 Lakhs
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above).	: Rs.18.42 Lakhs
5. Details of CSR spent during the financial year 2015-16	:
(a) Total amount spent for the financial year 2015-16	: Rs.18.86 Lakhs
(b) Amount un spent , if any	: Nil

**(c) Manner in which the amount spent during the financial year is detailed below:** (Rs. in lakhs)

S. No	CSR project or activity identified	Sector In which The Project Is Covered	Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs was undertaken.	Amount outlay (budget) project or programs wise.	Amount spent on the projects or programs Sub-heads: 1) Direct on projects or programs 2) Over heads:	Cumulative Expenditure upto the reporting Period.	Amount spent Direct or through implementing Agency.
1	Sponsorship to sportsmen (Chess)	Clause (vii) of Schedule VII	All over India	2.00	2.00	2.00	Direct
2	Promoting Health Care - Supporting Health Department and Local authorities for polio vaccination camps in Arasur.	Clause (i) of Schedule VII	Coimbatore/ Tamil Nadu	0.20	0.19	0.19	Through Health Department / Local authorities
3	Promoting education – Providing infrastructure facilities to 6 government schools in and around Coimbatore district.	Clause (ii) of Schedule VII	Coimbatore/ Tamil Nadu	7.77	7.18	7.18	Direct

4	Contribution of relief materials like food, drinking water, etc. to the people in the flood affected areas of Chennai, Cuddalore, Kancheepuram and Tiruvallur districts of Tamil Nadu.	Clause (i) of Schedule VII	Chennai, Cuddalore, Kancheepuram and Tiruvallur districts/Tamil Nadu.	3.25	2.49	2.49	Direct
5	Contribution made to The Kuppuswamy Naidu Charity Trust For Education and Medical Relief, for the treatment of paediatric cardiac health care program for poor children.	Clause (i) of Schedule VII	Coimbatore/ Tamil Nadu	7.00	7.00	7.00	Through The Kuppuswamy Naidu Charity Trust For Education and Medical Relief
<b>Total</b>						<b>18.86</b>	

6. In case the company has failed to spend the 2% of the average net profit of the last three financial years or any part thereof, the company shall provide the reason for not appending the amount in its board report – Not applicable.

The implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

**Nethra J.S. Kumar**  
Chairperson and Managing Director  
(DIN: 00217906)

**D. Senthilkumar**  
Chairman – CSR Committee  
(DIN: 00006172)

# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Industry Structure and Developments

The electrical equipment industry witnessed cumulative growth index of 8.50 during April 2015 to February 2016. Although higher imports still plague the industry but policy changes and various initiatives undertaken by the industry and government are eventually showing signs of revival for the sector.

The main customer segment continues to be Textile Machinery Manufacturing Industry and the year 2015-16 has seen a moderate growth in the sector.

There was a muted market trend and our performance reflect the same.

### Opportunities and Threats

There was a marginal growth in turnover in our main business segments ie., Electricals and Plastics during the year 2015-2016. The streamlining of our internal processes and procedures are carried out on continual basis.

### Segment wise Performance

Control Panel Production continues to be the spearhead of our company. We are continuing to take a lot of steps during the year to improve our efficiency levels. There has been a widespread involvement of all cadres in improving the deliverables of this segment. New customers continue to be added and this segment should continue to grow in the years to come.

New machines are added in Plastics division and some of the old machines are replaced with energy efficient machines. The endeavour to broad base the customers and also forays into new verticals continues. This segment is expected to contribute towards the growth of top line in future.

The lower wind velocity has affected the generation of wind power in Wind Power Generation segment of the Company.

### Outlook

We remain confident that growth pattern will be positive in the years to come and our company is well poised to reap this trend with excellent infrastructure and trained manpower in place.

### Risk and concerns

Raw Material and Labour cost continue to be our major concern. The only solution here is better value addition and efforts are on to achieve the same.

### Internal Control System and Adequacy

The Company has adequate internal control system, commensurate with its size and nature of its business. The management has the overall responsibility for the Company's internal control system to safeguard the assets and to ensure reliability of financial records.

The Company has a budgetary control system and periodically the actual performance is reviewed and the deviations are addressed accordingly.

The audit committee reviews all financial statements and ensures adequacy of internal control systems.

### Financial Performance

(₹ in Lakhs)

Particulars	2015-16	2014-15
Sales & Other Income	18703.82	18209.26
Profit before interest, depreciation, tax	1545.67	1374.28
Interest	45.47	26.34
Depreciation	190.00	117.25
Profit Before Tax	1310.20	1230.69
Provision for Taxation	450.30	407.11
Profit after tax	859.90	823.58
Earnings per share (Amount in ₹)	34.98	33.51



### **Human Resources**

The company's HR objective is to achieve company's growth through developing a skilled, motivated and committed workforce.

### **Risk Management**

The Company adopts a comprehensive and integrated risk appraisal, mitigation and management process. The risk appraisal and risk mitigation measures of the Company are being placed before the Board periodically for review and for improvement.

### **Cautionary Statement**

The Management Discussion and Analysis Report contains forward looking statements based upon assumptions with regard to global and country's economic conditions, expectation of future events, etc., The factors that might influence the operations of the Company are demand-supply conditions, prices of the finished goods, raw material costs & availability, change in the government rules & regulations and natural calamities over which the Company has no control. The Company assumes no responsibility on the accuracy of assumptions and perceived performance of the Company in future.

For and on behalf of the Board

Place : Coimbatore  
Date : July 1, 2016

**Nethra J.S. Kumar**  
Chairperson and Managing Director  
(DIN: 00217906)

# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

## CORPORATE GOVERNANCE REPORT

The Directors present the Report on Corporate Governance for the year ended 31st March 2016, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

### 1. Philosophy on Code of Corporate Governance

The corporate vision of LECS is to maintain responsible corporate behaviour across the organization, respectful of all rules and regulations governing corporate bodies.

Makes all conscious efforts to conduct business in the best interests of all stake holders in a transparent manner.

Engages in continuous improvement of products, manufacturing processes and work environment to deliver the best-in-class products and services to customers.

### 2. Board of Directors

In order to enable the Board to discharge its responsibilities effectively all statutory, significant and material information are placed before the Board on quarterly basis.

#### Composition

The Board of Directors of LECS is headed by Chairperson and Managing Director and ably supported by six non-executive Directors of which four of them are Independent Directors.

#### Position of Board of Directors

As mandated by Regulation 26 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 and erstwhile Clause 49 of listing agreement entered into with the Stock Exchange, none of the Directors hold any membership in more than ten Committees of Boards or Chairman of more than five Committees in which they are members.

Name of the Director	Position	Other Directorships	Membership in Committees	
			Chairman	Member
Smt. Nethra J.S. Kumar	Executive – Chairperson and Managing Director	15	1	1
Sri.N.Suryakumar	Non-executive – Independent	2	1	-
Sri.Sanjay Jayavarthanavelu	Non-executive Director	10	-	2
Sri.D.Senthilkumar	Non-executive Director	17	1	3
Sri.Ramesh Rudrappan	Non-executive – Independent	2	1	1
Sri. A. Palaniappan	Non-executive – Independent	9	-	1
Sri. Arun Selvaraj	Non-executive – Independent	2	-	-

Number of Chairmanship / Membership in Committees of all the Directors are within the limits specified in Regulation 26 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015

#### Board Meetings and Attendance

During the period from 1st April, 2015 to 31st March, 2016 five Board Meetings were held on 22.05.2015, 13.08.2015, 28.10.2015, 04.02.2016 and 11.03.2016.

Details of attendance of each Director at the meetings of the Board during the Financial Year ended 31st March, 2016 are as follows.

Name of the Directors	Attendance in Board meetings (No. of Board meeting(s) held during the financial year : 5)	Attendance in last AGM (AGM Date: 13.08.2015)
Sri. N. Suryakumar	5	Yes
Sri. Sanjay Jayavarthanavelu	4	Yes
Sri. D.Senthilkumar	5	Yes
Sri. Ramesh Rudrappan	4	No
Smt. Nethra J.S. Kumar	5	Yes
Sri. A. Palaniappan	5	Yes
Sri. Arun Selvaraj	5	Yes

Smt.Nethra J.S.Kumar, Sri.D.Senthilkumar and Sri.Sanjay Jayavarthanavelu are related to each other. Sri.Sanjay Jayavarthanavelu is Smt.Nethra J.S.Kumar's brother and Sri.D.Senthilkumar is Smt.Nethra J.S.Kumar's husband.

### Shareholding of Non-Executive Directors

Name of the Directors	No. of Shares
1. Sri. N. Suryakumar	Nil
2. Sri. Sanjay Jayavarthanavelu	Nil
3. Sri. D. Senthilkumar	100
4. Sri. Ramesh Rudrappan	Nil
5. Sri. A. Palaniappan	Nil
6. Sri. Arun Selvaraj	Nil

### Familiarization Program for Independent Directors

The Company has conducted the Familiarisation programmes for Independent Directors during the financial year. The Programmes aim to provide insights into the Company to enable the Independent Directors to understand its business in depth, to familiarise them with the processes, businesses and functionaries of the Company and to assist them in performing their role as Independent Directors of the Company. The details of familiarisation programmes imparted to Independent Directors is posted in the website of the Company 'www.lecsindia.com

### 3. Committee of Directors

The Board has constituted various Committees of Directors to deal with matters referred to it for timely decisions.

#### (i) Audit Committee:

The role, powers and functions of the committee are as per Section 177 of the Companies Act, 2013 and the guidelines set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of this committee are as required by Regulation 18 read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee assure to the Board, compliance of adequate internal control system, compliance of Accounting Standards, financial disclosure and other issues confirming to the requirements specified by the Companies Act, 2013, SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 and Listing Agreement entered into with the Stock Exchange.

Audit Committee consists of the following Independent Directors:

1. Sri. N. Suryakumar - Chairman
2. Sri. Ramesh Rudrappan - Member
3. Sri. A. Palaniappan - Member

Company Secretary of the Company is the Secretary of the Committee.

The Committee met five times during the Financial Year ended 31st March 2016 on 22nd May 2015, 13th August 2015, 28th October 2015, 4th February 2016 and 11th March 2016.

Particulars of Audit Committee Meeting and attendance of members

Name of the Directors	Attendance in Audit Committee meetings (No. of Audit Committee meeting(s) held during the financial year : 5)
Sri. N. Suryakumar	5
Sri. Ramesh Rudrappan	4
Sri. A. Palaniappan	5



# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

## (ii) Nomination and Remuneration Committee:

This Committee was formed for determining remuneration payable to Executive and Non-Executive Directors, selection and appointment of Directors and senior executives.

The terms of reference of this committee has been mandated with the same as specified in Regulation 19 read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also with the requirement of Section 178 of the Companies Act, 2013.

The Committee consists of the following Directors as its members:

1. Sri. N. Suryakumar - Chairman
2. Sri. Arun Selvaraj - Member
3. Sri. Ramesh Rudrappan - Member

The Company has formulated performance evaluation criteria for Independent Directors, Board, Committees and other Directors which includes criteria for performance evaluation of the non-executive directors and executive directors and shall carry out evaluation of every directors performance.

Particulars of Nomination and Remuneration Committee meeting and attendance of members

Name / Date of Meetings	21.05.2015	13.08.2015	28.10.2015
Sri. N. Suryakumar	✓	✓	✓
Sri. Arun Selvaraj	✓	✓	✓
Sri. Ramesh Rudrappan	✓	×	✓

## (iii) Stakeholders Relationship Committee:

The Committee has been formed to specifically focus on the services to the stakeholders. The Committee periodically reviews the services rendered to the shareholders particularly redressal of complaints of the shareholders like transfer of shares, non-receipt of Annual Report, non-receipt of declared dividends, etc., and also the action taken by the Company on the above matters.

The Committee consists of the following Directors as its members:

1. Sri. Ramesh Rudrappan - Chairman
2. Sri. D.Senthilkumar - Member
3. Smt. Nethra J.S. Kumar - Member

Sri.S.Sathyanarayanan, Company Secretary serves as the Compliance Officer with effect from 13th August 2015.

During the year 1 letter / complaint was received from the investor which was replied/resolved to the satisfaction of the investor. The outstanding letters / complaints as on 31.03.2016 was NIL. The Committee had met two times during the Financial Year ended 31st March, 2016 on 31st July 2015 and on 04th February 2016.

Particulars of Stakeholders Relationship Committee meeting and attendance of members

Name / Date of Meetings	31.07.2015	04.02.2016
Sri. D.Senthilkumar	✓	✓
Smt. Nethra J.S. Kumar	✓	✓
Sri. Ramesh Rudrappan	✓	✓

Pursuant to clause 47(c) of the Listing Agreement/ Regulation 40(9) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practising Company Secretary has been submitted to the Stock Exchange within stipulated time.

**(iv) Share Transfer Committee:**

Share Transfer Committee consists of the members of the Board, Company Secretary and Share Transfer Agents. At present there are 6 members in the Committee. The committee reviews and approves transfers, transmission, split, consolidation, issue of duplicate share certificate, recording change of name, transposition of names etc. in equity shares of the Company. Shareholder requests on the above matters are being processed and certificates returned to them within 15 days from the date of receipt. The committee had met 20 times during the Financial Year ended 31st March, 2016.

**(v) Corporate Social Responsibility Committee:**

The Committee has been formed to frame CSR Policy, approve the CSR Budget and monitor the implementation of the project or activities undertaken under CSR.

The Corporate Social Responsibility Committee consists of the following directors:

1. Sri. D. Senthilkumar - Chairman
2. Smt. Nethra J.S. Kumar - Member
3. Sri. Arun Selvaraj - Member

Particulars of Corporate Social Responsibility Committee meeting and attendance of members

Name / Date of Meetings	13.08.2015	28.10.2015
Smt. Nethra J.S.Kumar	✓	✓
Sri. D.Senthilkumar	✓	✓
Sri. Arun Selvaraj	✓	✓

**(vii) Independent Directors Meeting:**

As required under the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a separate meeting of Independent Directors of the Company was held on 10th March, 2016. All the Independent Directors were present at the meeting

**4. Remuneration of Directors**

Remuneration and sitting fee paid to the Directors for the financial year 2015 - 2016:

Name of the Directors	Salary	Other Perquisites	Sitting fee	Commission	Total
Sri. N. Suryakumar	-	-	2,10,000	-	2,10,000
Sri. Sanjay Jayavarthanavelu	-	-	60,000	-	60,000
Sri. D. Senthilkumar	-	-	1,35,000	-	1,35,000
Sri. Ramesh Rudrappan	-	-	1,95,000	-	1,95,000
Sri. A. Palaniappan	-	-	1,65,000	-	1,65,000
Sri. Arun Selvaraj	-	-	1'65,000	-	1'65,000
Smt. Nethra J.S. Kumar #	60,00,000	-	-	9,92,937	69,92,937

#The remuneration excludes contribution to provident fund Rs. 7,20,000/-, Gratuity contribution – Rs. 2,88,000/- and Leave entitlement Rs. 4,98,992/-

At present, no remuneration is being paid to Non-Executive Directors other than Sitting Fees for the meetings of the Board/Committee and other meetings of Directors which a Director attends. No benefits, other than the above are given to the Directors. No Stock Option, Performance linked incentives and severance fees are given to Directors.

# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

## 5. General Body Meetings

Information about the last three Annual General Meetings are given below:

Location	Time	Day	Date
Nani Kalai Arangam, Mani Higher Sec. School Coimbatore – 641 037	03.05 p.m	Thursday	13.08.2015
Nani Kalai Arangam, Mani Higher Sec. School Coimbatore – 641 037	02.30 p.m	Friday	08.08.2014
Nani Kalai Arangam, Mani Higher Sec. School Coimbatore – 641 037	10.35 a.m	Saturday	07.09.2013

Details of Special Resolutions passed at the above Annual General Meetings:

- At the AGM held on 13.08.2015
  - Approval of material related party transactions.
  - Approval of remuneration payable to Smt. Nethra J.S. Kumar, Chairperson and Managing Director.
- At the AGM held on 08.08.2014
  - Approval for amendment in the Articles of Association of the Company.
  - Approval to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company u/s 180(1) (c) and any other applicable provisions of the Companies Act, 2013.
- At the AGM held on 07.09.2013, no Special Resolution was passed.  
No Special Resolution was passed through Postal Ballot during last year.  
No Special Resolution is proposed to be passed through postal ballot.

## 6. Means of Communication

The quarterly results were published in leading newspapers viz. Financial Express (English) and Dina Malar (Tamil).

The Company Profile, Corporate Information, Share Holding Pattern, Code of Conduct for Directors and Officers, Financial Statements, Product Range and the details prescribed in regulation 46 (2) (b) to (i) of SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015 is published in the Company's website [www.lecsindia.com](http://www.lecsindia.com).

## 7. Shareholders Information

### Annual General Meeting

Day & Date	: Monday, 8 <sup>th</sup> day of August 2016
Time	: 3.00 P.M
Venue	: Nani Kalai Arangam, Mani Higher Secondary School, Pappanaickenpalayam, Coimbatore – 641 037.

### Financial Calendar

Financial Year	: 1 <sup>st</sup> April to 31 <sup>st</sup> March
Announcement of Quarterly Results for the Financial Year 2016 – 2017 (Tentative)	: August 2016, November 2016, February 2017 and May 2017
Date of Book Closure	: Tuesday, the 02 <sup>nd</sup> August 2016 to Monday, the 08 <sup>th</sup> August 2016 (both days inclusive)
Dividend Payment Date	: On or before 07 <sup>th</sup> September 2016.

### Listing on Stock Exchanges

The equity shares of the Company are listed in BSE Limited, Mumbai. The listing fees have been paid to BSE Limited for the Financial Year 2016-2017.

### Stock Codes & ISIN Number:

Stock Exchange	Security Code	Security ID	ISIN No.
BSE Limited	504258	LAKSELEC	INE284C01018

### Market Price Data:

The High & Low during each month in last Financial Year in BSE is given below:

Month	Share Price (₹)	
	High	Low
Apr-15	541.00	321.30
May-15	521.00	386.00
Jun-15	450.00	385.00
Jul-15	497.00	402.00
Aug-15	495.00	356.20
Sep-15	390.00	326.30
Oct-15	405.10	354.00
Nov-15	435.10	335.00
Dec-15	446.00	398.20
Jan-16	445.00	357.10
Feb-16	404.90	305.00
Mar-16	370.00	325.50

### Share Price Performance in Comparison with BSE Index

LECS Share price vs BSE Sensex



The equity shares of the Company are not suspended from trading in BSE Limited.

# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

## Registrar & Share Transfer Agents:

Transfer, transmission, split, consolidation, recording the change of name of shareholders, issue of duplicate certificate, dematerialisation and such other matters relating to the shares of the Company or entrusted to the share transfer agents M/s. S.K.D.C. Consultants Limited, Kanapathy Towers, 3rd Floor, 1391 / A-1, Sathy Road, Ganapathy, Coimbatore – 641 006. They are the connectivity providers for Demat Segment.

## Share Transfer System:

The share transfers are registered and share certificates are returned within a period of 15 days from the date of receipt, if documents are in order. The share transfers are approved by Share Transfer Committee.

## Distribution of Share Holding as on 31<sup>st</sup> March 2016

Range	No. of shares	% Held	No. of Shareholders	%
Upto 500	8,17,165	33.25	10,218	96.11
501 - 1000	1,89,156	7.70	242	2.28
1001 - 2000	1,31,602	5.35	90	0.85
2001 - 3000	92,145	3.75	37	0.35
3001 - 4000	43,215	1.76	12	0.11
4001 - 5000	28,645	1.17	6	0.06
5001 - 10000	91,519	3.72	13	0.12
10001 and above	10,64,553	43.31	14	0.13
Total	24,58,000	100.00	10,632	100.00

## Dematerialisation of Shares and liquidity:

As on 31st March 2016, 22,85,545 shares constituting 92.98% of the total paid up capital of the Company has been dematerialized.

**Outstanding ADR / GDR / Warrants / or any Convertible Instruments** – The Company has not issued any ADR / GDR / Warrants / or any Convertible Instruments.

**Commodity price risk or foreign exchange risk and hedging activities - Nil**

## Plant Locations:

The Company's plant is situated at the following location:

Factory : Arasur, Coimbatore – 641 407      Wind Mill Division : Palladam (TK), Tirupur District

## Address for Correspondence :

All correspondence should be addressed to:

The Compliance Officer, Lakshmi Electrical Control Systems Limited  
Arasur, Coimbatore – 641 407 E-mail: [investorscell@lecsindia.com](mailto:investorscell@lecsindia.com)

## 8. Disclosures

### a. Materially significant related party transactions:

The transactions with related parties are monitored in accordance with the policy. All the transactions with the related parties are at arms length transaction and are taking place in the ordinary course of business. The details of related party transactions are provided elsewhere in the Annual Report. The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

Weblink: <http://www.lecsindia.com/financial/Policies/relatedpartytransactionPolicy.Pdf>

### b. Strictures and Penalties

The Company has complied with all the requirements of the Listing Agreement of the stock exchanges as well as regulations and guidelines of SEBI including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. No penalties have been levied or strictures have been passed by SEBI, Stock Exchange or any other statutory authority on matters relating to capital markets during the last three years.

**c. Vigil Mechanism and Whistle-Blower Policy**

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

The Whistle Blower Policy has been posted on the website of the Company [www.lecsindia.com](http://www.lecsindia.com). Your Company hereby affirms that no complaints were received during the year under review.

**d. Details of compliance with mandatory requirements**

The Company has complied with all mandatory requirements laid down under the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**e. Details of compliance of non-mandatory requirements**

The Company has adopted the non-mandatory requirement of Reporting of internal auditors to Audit Committee as recommended under Regulation 27(1) read with Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

f. The company has no subsidiary.

**9. Commodity price risks and Commodity hedging activities** - During the financial year ended 31st March, 2016 the company did not engage in commodity hedging activities.

**10. Management Discussion and Analysis Report** - Management Discussion and Analysis Report forms part of this Annual Report.

**11.** The Company complies with the corporate governance requirement specified in regulation 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The constitution of Risk Management Committee is not applicable to the Company.

**12. Risk Management**

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

**13.** Certificate from the Statutory Auditors confirming the compliance with all the conditions of Corporate Governance as stipulated in Listing Regulations forms part of this report.

**14.** There are no unclaimed shares of the Company and hence the Company has not opened unclaimed suspense account.

**15. Certificate from Chairperson and Managing Director (CMD) & CFO**

The CMD and CFO certification of the financial statements for the financial year has been submitted to the Board of Directors, in its meeting held on 26th May 2016 as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations.

For and on behalf of the Board

Place : Coimbatore  
Date : July 1, 2016

**Nethra J.S. Kumar**  
Chairperson and Managing Director  
(DIN : 00217906)

**CHIEF EXECUTIVE OFFICER'S DECLARATION ON CODE OF CONDUCT**

The Board of Directors of the Company have adopted a Code of Conduct for the Board Members and Senior Management of the Company and the same has also been posted in the website of the Company and that all the Board Members and Senior Management personnel to whom this Code of Conduct is applicable have affirmed the Compliance of Code of Conduct during the year 2015-2016.

Place : Coimbatore  
Date : July 1, 2016

**Nethra J.S. Kumar**  
Chairperson and Managing Director  
(DIN : 00217906)

# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

## CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of Lakshmi Electrical Control Systems Limited

We have examined the compliance of conditions of Corporate Governance by M/s. Lakshmi Electrical Control Systems Limited, for the year ended 31st March, 2016, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India for the period 1st April 2015 to 30th November 2015 and as per relevant provisions of Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulation, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period 1st December 2015 to 31st March 2016.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement and Regulation 15(2) of the Listing Regulation with the Stock Exchange for the year ended 31st March, 2016.

On the basis of the records maintained by the Stakeholders Relationship Committee of the Company, we state that no investor grievance is pending for a period exceeding one month.

We further state that our examination of such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Coimbatore

Date : July 1, 2016

For N.R.DORAI SWAMI & CO.,  
Chartered Accountants  
Firm Regn. No. 000771S

**SUGUNA RAVICHANDRAN**  
Membership No.207893

## **INDEPENDENT AUDITORS' REPORT**

To The Members of M/s. Lakshmi Electrical Control Systems Limited

### **Report on the Financial Statements**

We have audited the accompanying financial statements of M/s. Lakshmi Electrical Control Systems Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Managements' Responsibility for the Financial Statements**

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control systems over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2016 and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure - A, a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.



# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

2. As required by section 143(3) of the Act, we further report that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) on the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164(2) of the Act;
  - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - g) With respect to the other matters to be included in the Auditors Report in accordance Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
    - i) The Company does not have any pending litigations which would impact its financial position.
    - ii) The Company did not have any long term contracts including derivative contracts; as such the question of commenting on any materials foreseeable losses thereon does not arise.
    - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For N.R.DORAISWAMI & CO.,  
Chartered Accountants  
Firm Regn. No. 000771S

**SUGUNA RAVICHANDRAN**  
Partner  
Membership No.207893

Place : Coimbatore  
Date : May 26, 2016

## ANNEXURE – A - TO INDEPENDENT AUDITORS' REPORT

Annexure referred to in our Independent Auditors' report to the members of Lakshmi Electrical Control Systems Limited ('the Company') on the financial statements for the year ended 31 March 2016.

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- (i)
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - b. As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - c. The title deeds of immovable properties are held in the name of the company.
- (ii)
  - a. The inventory has been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.
  - b. The Company has maintained proper records of inventories and the discrepancies between the physical inventories and the book records which have been properly dealt with in the books of account were not material.

- iii) The Company has not granted any loans, secured or unsecured, to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Hence, the question of reporting whether the terms and conditions of such loans are prejudicial to the interests of the Company and whether reasonable steps for recovery of overdue amounts of such loans are taken does not arise.
- iv) In our opinion and according to the information and explanations given to us, the Company has not given any loans, investments, security and guarantees for loans taken by others. Hence compliance with the provisions of section 185 and 186 of the Companies Act, 2013 is not required.
- v) The Company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act 2013.
- vi) The Company is not covered under maintenance of cost records pursuant to section 148 (1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014.
- vii) a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Value Added Tax, Service Tax, Customs Duty, Excise Duty/Cess and other statutory dues applicable to it.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Sales Tax, Value Added Tax, Service Tax, Customs Duty, Excise Duty/Cess were outstanding, as at 31st March, 2016 for a period of more than six months from the date they became payable.
- c) According to the records of the Company, there are no dues of Sales Tax, Income Tax, Value Added Tax, Service Tax, Customs Duty, Wealth Tax, Excise Duty/Cess which have not been deposited on account of any dispute except as under:

Name of Statute	Nature of Dues	Amount ₹ in Lakhs	Period to which the amount relates
The Tamil Nadu Tax on Consumption or Sale of Electricity Act, 2003.	Electricity Tax	11.85	2007-2008
		7.20	2009-2010
		6.63	2010-2011
		6.22	2011-2012
		1.37	2012-2013
	Total	33.27	

- viii) Based on our audit procedures and the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or borrowings to financial institutions, banks, government or debenture holders.
- ix) In our opinion, and according to the information and explanations given to us, we are of the opinion that the Company has not raised any money from any further public offer ( including debt struments) and has also not availed any term loans and hence reporting if the funds were applied by the company for the purpose for which they were raised does not arise.
- x) During the course of our examination of the books and records of the Company carried out in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud by the Company or on the Company by its officers or employees noticed or reported during the course of our audit nor have been informed of any such instance by the management.
- xi) The company has paid managerial remuneration in accordance with the provisions of Section 197 and Schedule V of the Companies Act 2013.
- xii) The company is not a Nidhi Company and hence not covered by the Nidhi Rules, 2014.
- xiii) Based on our audit procedures and the information and explanations given by the management, we are of the opinion that all transactions with the related parties are in compliance with sections 177 and 188 of the

# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

Companies Act, 2013 where applicable and the details of the same have been disclosed in the financial statements as required by the applicable accounting standards.

- xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year hence compliance of section 42 of the Companies Act, 2013 is not required.
- xv) The company has not entered into any non-cash transactions with the directors or persons connected with the directors, hence compliance of section 192 of the Companies Act, 2013 is not required.
- xvi) As the company is not a Non Banking Financial Company it is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For N.R.DORAISWAMI & CO.,  
Chartered Accountants  
Firm Regn. No. 000771S

**SUGUNA RAVICHANDRAN**  
Partner  
Membership No.207893

Place : Coimbatore  
Date : May 26, 2016

## ANNEXURE – B - TO INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Lakshmi Electrical Control Systems Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For N.R.DORAISWAMI & CO.,  
Chartered Accountants  
Firm Regn. No. 000771S

**SUGUNA RAVICHANDRAN**  
Partner  
Membership No.207893

Place : Coimbatore  
Date : May 26, 2016

# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

## Balance Sheet as at 31st March, 2016

(Amount in ₹)

Particulars	Note No	As at 31.03.2016	As at 31.03.2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	2,45,80,000	2,45,80,000
(b) Reserves and Surplus	2	88,72,94,998	82,49,71,708
		<b>91,18,74,998</b>	<b>84,95,51,708</b>
<b>(2) Non-current Liabilities</b>			
(a) Long term borrowings	3	-	-
(b) Deferred tax liabilities (Net)	4	2,28,78,694	1,46,77,478
(c) Other Long Term Liabilities	5	-	-
(d) Long term provisions	6	33,27,080	33,27,080
		<b>2,62,05,774</b>	<b>1,80,04,558</b>
<b>(3) Current Liabilities</b>			
(a) Short Term Borrowings	7	2,77,48,368	93,52,416
(b) Trade payables	8		
Micro, Small and Medium Enterprises		3,84,44,560	4,93,67,288
Others		14,87,01,306	25,80,97,160
(c) Other current liabilities	9	2,29,44,171	2,14,98,584
(d) Short term provisions	10	3,30,27,774	3,11,11,301
		<b>27,08,66,179</b>	<b>36,94,26,749</b>
<b>TOTAL</b>		<b>1,20,89,46,951</b>	<b>1,23,69,83,015</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	11	26,36,16,748	22,63,45,649
(ii) Capital work-in-progress		45,16,786	2,69,57,823
(b) Non-current investments	12	69,57,798	10,69,60,398
(c) Long term loans and advances	13	23,91,231	17,30,084
		<b>27,74,82,563</b>	<b>36,19,93,954</b>
<b>(2) Current assets</b>			
(a) Current investments	14	-	-
(b) Inventories	15	15,65,04,996	20,89,56,386
(c) Trade receivables	16	35,65,14,451	32,77,76,329
(d) Cash and cash equivalents	17	33,02,40,963	22,96,32,347
(e) Short-term loans and advances	18	4,64,642	4,85,404
(f) Other current assets	19	8,77,39,336	10,81,38,595
		<b>93,14,64,388</b>	<b>87,49,89,061</b>
<b>TOTAL</b>		<b>1,20,89,46,951</b>	<b>1,23,69,83,015</b>

See accompanying notes to the financial statements

As per our report of even date  
For N.R. DORAISWAMI & CO  
Chartered Accountants  
Firm Regn. No.000771S

**SUGUNA RAVICHANDRAN**  
Partner  
Membership No. 207893

**SANJAY JAYAVARTHANAVELU**  
Director  
(DIN : 00004505)

**NETHRA J.S. KUMAR**  
Chairperson and Managing Director  
(DIN : 00217906)

Place : Coimbatore  
Date : May 26, 2016

**B.K.RAVI KUMAR**  
Chief Financial Officer

**S. SATHYANARAYANAN**  
Company Secretary

**Statement of Profit and Loss for the year ended 31st March, 2016**

(Amount in ₹)

Particulars	Note No	Year ended 31.03.2016	Year ended 31.03.2015
I Revenue from operations	20	1,87,03,82,229	1,82,09,26,162
II Other income	21	2,24,01,967	3,88,96,535
III Total Revenue	(I +II)	<b>1,89,27,84,196</b>	<b>1,85,98,22,697</b>
IV Expenses:			
Cost of materials consumed	22	1,48,12,10,688	1,50,68,36,556
Purchase of stock-in-trade		-	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	74,34,990	(37,61,152)
Employee benefit expense	24	15,60,74,827	12,28,16,735
Financial costs	25	45,46,942	26,34,684
Depreciation and amortization expenses	11	1,90,00,347	1,17,25,103
Other expenses	26	9,37,99,588	9,73,23,510
	<b>Total expenses</b>	<b>1,76,20,67,382</b>	<b>1,73,75,75,436</b>
V Profit before exceptional and extraordinary items and tax	(III - IV)	13,07,16,814	12,22,47,261
VI Exceptional items (Profit/ (Loss) on sale of assets)	27	3,03,279	8,22,020
VII Profit before extraordinary items and tax	(V - VI)	13,10,20,093	12,30,69,281
VIII Extraordinary Items - Prior period expenses		-	-
Prior period income		-	-
IX Profit before tax	(VII - VIII)	<b>13,10,20,093</b>	<b>12,30,69,281</b>
X Tax expenses:			
(1) Current tax		3,68,09,304	3,18,43,528
(2) Deferred tax		82,01,216	83,02,962
(3) Excess tax provision for earlier years reversed		(43,393)	-
(4) Income tax for earlier years		62,548	5,64,456
XI Profit/(Loss) for the year from continuing operations	(IX-X)	8,59,90,418	8,23,58,335
XII Profit/(Loss) for the period		<b>8,59,90,418</b>	<b>8,23,58,335</b>
XIII Earning per equity share of Rs.10/- each (Basic/Diluted)		<b>34.98</b>	<b>33.51</b>

See accompanying notes to the financial statements

 As per our report of even date  
 For N.R. DORAISWAMI & CO  
 Chartered Accountants  
 Firm Regn. No.000771S

**SUGUNA RAVICHANDRAN**  
 Partner  
 Membership No. 207893

**SANJAY JAYAVARTHANAVELU**  
 Director  
 (DIN : 00004505)

**NETHRA J.S. KUMAR**  
 Chairperson and Managing Director  
 (DIN : 00217906)

 Place : Coimbatore  
 Date : May 26, 2016

**B.K.RAVI KUMAR**  
 Chief Financial Officer

**S. SATHYANARAYANAN**  
 Company Secretary

# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

Notes to Balance Sheet as at 31st March, 2016

(Amount in ₹)

Note No	Particulars	As at 31.03.2016	As at 31.03.2015
<b>1</b>	<b>SHARE CAPITAL</b>		
<b>a</b>	<b>AUTHORISED</b>		
	20,000 - 13.5% Cumulative Redeemable Preference Shares of Rs.100/- each	20,00,000	20,00,000
	50,00,000 - Equity shares of Rs.10/-each	5,00,00,000	5,00,00,000
		<b>5,20,00,000</b>	<b>5,20,00,000</b>
<b>b</b>	<b>ISSUED, SUBSCRIBED, CALLED AND PAID UP</b>		
	24,58,000 - Equity Shares of Rs.10/- each fully paid	<b>2,45,80,000</b>	<b>2,45,80,000</b>
<b>c</b>	The total number of Shares as on 31/03/2016 and 31/03/2015 are same		
<b>d</b>	Rights, preferences and restrictions attached to equity shares. The company has only one class of equity shares comprising of 24,58,000 equity shares of ₹ 10/- each. All these equity shares have the same rights and preferences with respect to payment of dividend, repayment of capital and carries one vote for every such class of shares held. In the event of liquidation, the excess assets shall be distributed amongst the members in proportion to the capital.		
<b>e</b>	Number of shares held by share holders holding more than 5% of total shares		
	Smt. Nethra J.S.Kumar	4,97,337	4,97,337
	Lakshmi Electrical Drives Limited	1,72,756	1,31,206
<b>f</b>	Information regarding Share Capital in the last five years.		
	i) The company has not issued any shares without payment being received in cash.		
	ii) There has been no issue of bonus shares.		
	iii) The company has not undertaken any buy-back of shares.		
<b>2</b>	<b>RESERVES SURPLUS</b>		
<b>a</b>	<b>Capital reserve</b>		
	Opening balance	35,00,000	35,00,000
	Add: Addition / (reduction)	—	—
	Closing balance	<b>35,00,000</b>	<b>35,00,000</b>
<b>b</b>	<b>Security premium reserve</b>		
	Opening balance	5,03,20,000	5,03,20,000
	Add: Addition / (reduction)	—	—
	Closing balance	<b>5,03,20,000</b>	<b>5,03,20,000</b>
<b>c</b>	<b>General reserve</b>		
	Opening balance	54,72,34,158	53,72,34,158
	Add: transfer from profit & loss account	1,00,00,000	1,00,00,000
	Closing balance	<b>55,72,34,158</b>	<b>54,72,34,158</b>

**Notes to Balance Sheet as at 31st March, 2016**

(Amount in ₹)

Note No	Particulars	As at 31.03.2016	As at 31.03.2015
d	Surplus from profit & loss account		
	Opening balance	22,39,17,550	17,33,02,847
	Less: WDV of assets transferred as per Schedule II	—	16,24,519
	Add: Deferred tax on WDV of assets transferred as per Schedule II	—	5,27,075
	Add: Current year surplus	8,59,90,418	8,23,58,335
	Less: Transfer to general reserve	1,00,00,000	1,00,00,000
	Less: Proposed dividend	1,96,64,000	1,72,06,000
	Less: Dividend tax provision	40,03,128	34,40,188
	Closing balance	<u>27,62,40,840</u>	<u>22,39,17,550</u>
		<u>88,72,94,998</u>	<u>82,49,71,708</u>
<b>3</b>	<b>LONG TERM BORROWINGS</b>		
	Term loan-secured		
	From Bank :		
	Indian Bank-Limit Rs.6.77 Crores	—	—
	Security - Secured by Equitable Mortgage by way of deposit of the title deeds of the properties of the Com- pany situated at SF No.147 an extent of 3.35 acres of land, SF No.145/2 an extent of 1.37 acres of land & SF No.145/2B2 an extent of 1.33 acres of land		
	Interest Rate - 11.50 % p.a.		
	Period of default : Nil		
<b>4</b>	<b>DEFERRED TAX LIABILITY</b>		
	Opening balance	1,46,77,478	69,01,591
	Add/Less: Provided /(Reversed) during the year	82,01,216	83,02,962
	Less: Deferred tax on WDV of assets transferred as per schedule II	—	527,075
	Closing balance	<u>2,28,78,694</u>	<u>1,46,77,478</u>
<b>5</b>	<b>OTHER LONG TERM LIABILITIES</b>		
	Trade payables	—	—
<b>6</b>	<b>LONG TERM PROVISIONS</b>		
	Provision for electricity tax	<u>33,27,080</u>	<u>33,27,080</u>
<b>7</b>	<b>SHORT TERM BORROWINGS</b>		
	Loans repayable on demand-secured		
	From Banks :		
a	Indian Bank-Limit Rs.10 Crores	2,68,19,985	—
	Security - Paripassu First charge on entire Current Assets of the Company with Bank of Baroda and HDFC Bank Ltd . Second charge by way of Equitable Mortgage by way of deposit of the title deeds of the properties of the Company situated at SF No.147 an extent of 3.35 acres of land, SF No.145/2 an extent of 1.37 acres of land & SF No.145/2B2 an extent of 1.33 acres of land		
	Interest Rate - 10.15 % p.a.		
	Period of default : Nil		



# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

## Notes to Balance Sheet as at 31st March, 2016

(Amount in ₹)

Note No	Particulars	As at 31.03.2016	As at 31.03.2015
b	Bank of Baroda-Limit Rs.2.5 Crores Security - Paripassu First charge on the entire Current Assets of the Company with Indian Bank and HDFC Bank Ltd. Interest Rate - 10.40 % p.a. Period of default : Nil	9,28,383	93,52,416
c	HDFC Bank Limited-Limit Rs.5 Crores Security - Paripassu First charge on the entire Current Assets of the Company with Indian Bank and Bank of Baroda Interest Rate - 10.10 % p.a. Period of default : Nil	-	-
		2,77,48,368	93,52,416
<b>8</b>	<b>TRADE PAYABLES</b>		
a	Micro, Small and Medium Enterprises	3,84,44,560	4,93,67,288
b	Others	14,87,01,306	25,80,97,160
		<b>18,71,45,866</b>	<b>30,74,64,448</b>
<b>9</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Unpaid dividends	19,00,502	17,58,063
	Salary and benefits	1,43,70,270	1,30,22,706
	Statutory dues payable	53,48,399	36,31,733
	Advance received against sales	13,25,000	30,86,082
		<b>2,29,44,171</b>	<b>2,14,98,584</b>
<b>10</b>	<b>SHORT TERM PROVISIONS</b>		
a	Provisions for employee benefits		
	Gratuity	-	-
	Leave encashment	52,36,702	53,17,972
	Incentive	1,04,510	1,11,338
b	Others		
	Provision for income tax	26,46,217	18,82,207
	Provision for dividend	1,96,64,000	1,72,06,000
	Provision for dividend tax	40,03,128	34,40,188
	Provision for expenses & ED on finished goods	13,73,217	31,53,596
		<b>3,30,27,774</b>	<b>3,11,11,301</b>

**Notes to Balance Sheet as at 31st March, 2016**

(Amount in ₹)

**11 TANGIBLE ASSETS**

Tangible Assets	Gross Block				Depreciation				Net Block	
	As at 01.04.2015	For the year		As at 31.03.2016	As at 01.04.2015	For the Year		As at 31.03.2016	31.03.2016	31.03.2015
		Additions	Deletions			Additions	Withdrawals			
a Land	98,15,972	-	-	98,15,972	-	-	-	-	98,15,972	98,15,972
b Building	7,97,75,974	1,84,03,419	-	9,81,79,393	4,45,54,307	14,96,565	-	4,60,50,872	5,21,28,521	3,52,21,667
c Plant & Equipments	44,41,36,061	3,54,58,300	21,17,694	47,74,76,667	27,41,75,282	1,56,85,651	20,24,171	28,78,36,762	18,96,39,905	16,99,60,779
d Furniture & Fixtures	1,38,73,580	30,52,999	-	1,69,26,579	99,72,891	7,20,454	-	1,06,93,345	62,33,234	39,00,689
e Vehicles	1,20,77,091	-	11,85,554	1,08,91,537	46,30,549	10,97,677	6,35,805	50,92,421	57,99,116	74,46,542
<b>Total</b>	<b>55,96,78,678</b>	<b>5,69,14,718</b>	<b>33,03,248</b>	<b>61,32,90,148</b>	<b>33,33,33,029</b>	<b>1,90,00,347</b>	<b>26,59,976</b>	<b>34,96,73,400</b>	<b>26,36,16,748</b>	<b>22,63,45,649</b>
Capital Work in Progress	2,69,57,823	3,44,73,681	5,69,14,718	45,16,786	-	-	-	-	45,16,786	2,69,57,823
Figures as on 31.03.2015	47,18,80,213	10,38,08,988	1,60,10,523	55,96,78,678	33,44,62,442	1,33,49,622	1,44,79,035	33,33,33,029	-	22,63,45,649

**Additional Disclosure**

Profit/(loss) on disposal of fixed asset during the year ended March 31, 2016 is Rs.3,03,279/- and Rs. 8,22,020/- for year ended March 31, 2015.

Note No	Particulars	As at 31.03.2016	As at 31.03.2015
---------	-------------	---------------------	---------------------

**12 NON-CURRENT INVESTMENTS**
**Investment in equity instruments-Quoted**
**Lakshmi Machine Works Limited**

88,800 Equity Shares of Rs.10/- each fully paid 63,85,499 63,85,499

**Indian Bank**

6,289 Equity Shares of Rs.10/- each fully paid 5,72,299 5,72,299

**Investment in equity instruments-Unquoted**
**Harshni Textiles Limited-Associate**

1,00,00,000 Equity Shares of Rs.10/-each fully paid - 10,00,02,600

**69,57,798**
**10,69,60,398**
**Aggregate value of quoted investments**

Cost 69,57,798 69,57,798

Market Value 29,68,24,218 34,08,85,323

**Aggregate value of unquoted investments-Associate**

Cost - 10,00,02,600

**13 LONG TERM LOANS & ADVANCES**

(Unsecured and considered good)

a Security deposits 23,91,231 17,30,084

b Loans and advances to related parties - -

c Other loans and advances - -

**23,91,231**
**17,30,084**
**14 CURRENT INVESTMENTS**

- -

# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

## Notes to Balance Sheet as at 31st March, 2016

(Amount in ₹)

Note No	Particulars	As at 31.03.2016	As at 31.03.2015
<b>15</b>	<b>INVENTORIES</b>		
a	Raw materials and Components valued at cost (Weighted average price)	10,86,66,595	14,86,37,351
b	Work in progress at estimated cost	2,83,98,473	3,24,25,625
c	Finished goods at cost or net realisable value whichever is lower. The Finished goods value includes Excise Duty	1,23,38,523	1,57,46,362
d	Stock in trade valued at cost	43,740	2,46,429
e	Stores & Spares valued at cost	51,11,305	81,57,188
f	Others -Scrap at net realisable value	1,36,605	1,04,378
	Consumables valued at cost	14,90,196	32,33,208
	Packing materials valued at cost	3,19,559	4,05,845
		<b>15,65,04,996</b>	<b>20,89,56,386</b>
<b>16</b>	<b>TRADE RECEIVABLES - (UNSECURED AND CONSIDERED GOOD)</b>		
	Outstanding for more than 6 months	95,50,172	45,02,854
	Others	34,69,64,279	32,32,73,475
		<b>35,65,14,451</b>	<b>32,77,76,329</b>
<b>17</b>	<b>CASH AND CASH EQUIVALENTS</b>		
a	Unpaid dividend	19,00,502	17,58,063
b	Balance with banks		
	In current account	29,55,082	2,45,06,533
c	Cash in hand	3,85,379	84,190
d	Others		
	Margin money	—	7,83,561
	Short term deposits	32,50,00,000	20,25,00,000
		<b>33,02,40,963</b>	<b>22,96,32,347</b>
<b>18</b>	<b>SHORT TERM LOANS AND ADVANCES</b>		
	Others - (Unsecured and considered good)		
	Loans & advances to employees	4,64,642	4,85,404
		<b>4,64,642</b>	<b>4,85,404</b>
<b>19</b>	<b>OTHER CURRENT ASSETS</b>		
	Advance for purchase	10,47,162	52,01,302
	Vat & Cenvat tax input credit	5,48,80,087	7,84,06,294
	Prepaid expenses	45,10,620	17,48,359
	Service tax credit	1,23,83,806	81,18,681
	Interest accrued but not due	1,34,74,494	1,32,20,792
	Advance tax & refund receivable	14,43,167	14,43,167
		<b>8,77,39,336</b>	<b>10,81,38,595</b>

See accompanying notes to the financial statements

As per our report of even date  
For N.R. DORAISWAMI & CO  
Chartered Accountants  
Firm Regn. No.000771S

**SUGUNA RAVICHANDRAN**

Partner  
Membership No. 207893

Place : Coimbatore  
Date : May 26, 2016

**SANJAY JAYAVARTHANAVELU**

Director  
(DIN : 00004505)

**B.K.RAVI KUMAR**  
Chief Financial Officer

**NETHRA J.S. KUMAR**

Chairperson and Managing Director  
(DIN : 00217906)

**S. SATHYANARAYANAN**  
Company Secretary

**Notes to Statement of Profit and Loss for the year ended 31st March, 2016**

(Amount in ₹)

Note No	Particulars	Year ended 31.03.2016	Year ended 31.03.2015
<b>20</b>	<b>REVENUE FROM OPERATIONS</b>		
a	Sale of Products		
	Domestic Sales	2,07,20,49,976	1,99,05,82,036
b	Sale of Services	2,66,45,067	2,38,06,068
c	Other operating revenues	23,13,286	22,70,636
		<b>2,10,10,08,329</b>	<b>2,01,66,58,740</b>
	Less:		
d	Excise duty paid	23,06,26,100	19,57,32,578
		<b>1,87,03,82,229</b>	<b>1,82,09,26,162</b>
<b>21</b>	<b>OTHER INCOME</b>		
	Interest Income (TDS 19,04,357 /-)	1,90,45,553	3,61,61,129
	Dividend income	33,56,414	26,74,691
	Net gain from foreign exchange	-	60,715
		<b>2,24,01,967</b>	<b>3,88,96,535</b>
<b>22</b>	<b>COST OF MATERIALS CONSUMED</b>		
	Opening stock of raw materials and components	16,07,84,400	11,03,80,708
	Purchases of raw materials and components	1,43,61,94,289	1,55,72,40,248
		<b>1,59,69,78,689</b>	<b>1,66,76,20,956</b>
	Less: Closing stock of raw materials and components	(11,57,68,001)	(16,07,84,400)
		<b>1,48,12,10,688</b>	<b>1,50,68,36,556</b>
<b>23</b>	<b>CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
	Opening stock of WIP	3,24,25,624	3,51,46,297
	Closing stock of WIP	2,83,98,473	3,24,25,624
		<b>40,27,151</b>	<b>27,20,673</b>
	Opening stock of FG	1,57,46,362	92,64,537
	Closing stock of FG	1,23,38,523	1,57,46,362
		<b>34,07,839</b>	<b>(64,81,825)</b>
	Change in inventory	74,34,990	(37,61,152)
<b>24</b>	<b>EMPLOYEE BENEFIT EXPENSES</b>		
	Salaries & wages	11,74,35,438	9,43,04,031
	Bonus	1,16,16,825	89,14,088
	Gratuity	37,80,499	8,80,892
	Provident fund	92,58,444	63,76,873
	Welfare expenses	1,39,83,621	1,23,40,851
		<b>15,60,74,827</b>	<b>12,28,16,735</b>
<b>25</b>	<b>FINANCIAL COST</b>		
	Interest expenses	45,46,942	26,34,684
		<b>45,46,942</b>	<b>26,34,684</b>

# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

## Notes to Statement of Profit and Loss for the year ended 31st March, 2016

(Amount in ₹)

Note No	Particulars	Year ended 31.03.2016	Year ended 31.03.2015
<b>26</b>	<b>OTHER EXPENSES</b>		
	Consumption of stores and spare parts	1,14,19,868	1,08,93,826
	Power and fuel	1,79,42,935	1,76,71,139
	Repairs & maintenance		
	Repairs to machinery	82,53,558	83,83,375
	Repairs to vehicles	9,36,140	11,72,632
	Repairs to buildings	1,01,49,585	1,16,27,234
	Repairs others	57,44,746	66,23,061
		2,50,84,029	2,78,06,302
	Machining charges paid	94,79,190	1,11,98,999
	Insurance	5,33,266	4,31,215
	Rates and taxes, excluding, taxes on income	13,87,221	33,44,188
	Audit fees		
	a) Statutory audit	2,01,000	1,60,000
	b) For reimbursement of expenses	615	614
	c) For taxation matters	—	60,000
	d) For other services	1,17,824	81,500
	Communication expenses	14,99,267	8,21,775
	Postage, printing & stationery	13,82,480	13,39,257
	Sitting fees	9,30,000	3,75,000
	Legal & professional charges	34,02,759	46,67,253
	Travelling & conveyance expenses	85,11,606	64,06,621
	Net Loss from Foreign Exchange	2,50,558	—
	CSR expenses	18,86,501	19,00,000
	Miscellaneous expenses	97,70,469	1,01,65,821
		<b>9,37,99,588</b>	<b>9,73,23,510</b>
<b>27</b>	<b>EXCEPTIONAL ITEMS</b>		
	Profit on sale of fixed assets	3,03,279	8,22,020
	Less: Loss on sale of fixed assets	—	—
		<b>3,03,279</b>	<b>8,22,020</b>

See accompanying notes to the financial statements

As per our report of even date  
For N.R. DORAISWAMI & CO  
Chartered Accountants  
Firm Regn. No.000771S

**SUGUNA RAVICHANDRAN**

Partner  
Membership No. 207893

Place : Coimbatore  
Date : May 26, 2016

**SANJAY JAYAVARTHANAVELU**

Director  
(DIN : 00004505)

**B.K.RAVI KUMAR**  
Chief Financial Officer

**NETHRA J.S. KUMAR**

Chairperson and Managing Director  
(DIN : 00217906)

**S. SATHYANARAYANAN**  
Company Secretary

## ACCOUNTING POLICIES AND NOTES TO STATEMENT OF PROFIT AND LOSS AND BALANCE SHEET AS AT 31ST MARCH 2016

---

### I. SIGNIFICANT ACCOUNTING POLICIES

#### 1. Method of Accounting:

The financial statements are prepared on the historical cost convention basis on accrual concept and in accordance with the accounting principles generally accepted in India (Indian GAAP) and comply with the mandatory accounting standards notified by the Central Government of India under the Companies (Accounting Standards) Rules, 2006 (as amended) and the guidelines issued by the Securities and Exchange Board of India (SEBI) and the relevant provisions of the Companies Act, 2013 to the extent applicable.

#### 2. Fixed Assets:

Fixed Assets include all expenditure of capital nature and are stated at aggregate cost of acquisition, installation and commissioning less Cenvat Credit, VAT credit wherever applicable. Fixed assets values are stated at historical cost. Interest, if any, on borrowing attributable to acquisition of assets are capitalised and included in the cost of asset, as appropriate.

#### 3. Depreciation :

- a) Depreciation on Fixed Assets has been provided on the basis of useful lives of the Fixed Assets in accordance with Schedule II of the Companies Act, 2013.
- b) For additions during the year, Prorata depreciation has been provided from the date of addition.
- c) For all the assets costing below Rs.5,000/- each, depreciation is provided @ 100% retaining Re.1/- as residual value in the year of addition, irrespective of date of addition.

#### 4. Investments:

Investments being long term are stated at cost inclusive of all expenses incidental to acquisition. Provision for diminution in their market value is made only if such decline is other than temporary.

- a) The Gratuity liability is covered by contributions to Life Insurance Corporation of India's Employees (Cash Accumulation) Assurance Scheme and the contribution paid relating to the year is charged to the Statement of Profit & Loss of the year.
- b) Provision is made in the accounts for Unpaid Leave Encashment based on actuarial certificate obtained in terms of AS 15 (Revised 2005).

#### 6. Taxation:

Provision for taxation is made as per estimated total income after considering various reliefs admissible under the provisions of the Income Tax Act, 1961.

In terms of Accounting Standard 22, the deferred tax liability for timing difference between the book and tax profits for the year is accounted for, using the tax rates and laws that have been enacted on the Balance Sheet date.

#### 7. Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes to financial statements. Contingent assets are neither recognized nor disclosed in the financial statements. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

## Notes forming part of accounts as at 31st March, 2016 (Contd...)

### 8. Foreign Currency Transactions:

Foreign currency transactions are recorded at the prevailing exchange rates at the time of initial recognition. Exchange differences arising on final settlement are adjusted and recognized as income or expense in the Statement of Profit and Loss. Outstanding balances of monetary items denominated in foreign currency are restated at closing exchange rates and the difference is adjusted as income or expense in the Statement of profit and loss .

The premium or discount arising at the inception of forward exchange contracts is accounted as income or expense over the life of the contract. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense in the period in which they arise.

### 9. Recognition of Income and Expenditure :

Income and expenditure are recognised and accounted on accrual basis. Revenue from sale transaction is recognised as and when the goods are sold to the buyer for a definite consideration and the legal title is passed on to the buyer. Revenue from service transaction and other sources is recognised on the completion of the contract.

### 10. Excise Duty and Customs Duty :

Excise duty in respect of goods manufactured by the Company is accounted at the time of removal of goods from the factory for sale or captive consumption. Cenvat credit in respect of capital goods is deducted in the respective capital goods and in respect of revenue items deducted from respective revenue items and consumption arrived at on that basis. Excise duty on closing stock of inventory of finished goods is included in the inventory value in terms of the relevant Accounting Standard AS2.

### 11. Research & Development :

Research & Development costs are charged to revenue in the period in which they are incurred.

### 12. Impairment of Assets:

An asset is treated as impaired when the carrying amount of the asset exceeds its estimated recoverable value. Carrying amounts of fixed assets are reviewed at each balance sheet date to determine indications of impairment, if any, of those assets. If any such indication exists, the recoverable amount of the asset is estimated and an impairment loss equal to the excess of the carrying amount over its recoverable value is recognized as an impairment loss. The impairment loss, if any, recognized in prior accounting period is reversed if there is a change in estimate of recoverable amount.

## II. Notes forming part of Accounts:

### 1. Consumption of Raw Materials & Components:

Particulars	Amount in ₹	% to total consumption	Amount in ₹	% to total consumption
	2015-2016		2014-2015	
i) Raw Materials – Imported	75,36,625	0.51	96,30,938	0.64
ii) Components–Imported	2,69,19,034	1.82	3,80,28,603	2.52
iii) Raw Materials–Indigenous	17,69,61,208	11.95	15,04,06,186	9.98
iv) Components – Indigenous	1,26,97,93,821	85.72	1,30,87,70,829	86.86
Total	1,48,12,10,688	100.00	1,50,68,36,556	100.00

2. As defined under Micro, Small and Medium Enterprises Development Act 2006, the disclosure in respect of the amount payable to such enterprises as at 31.03.2016 has been made in the financial statements based on information received and available with the company.

**Notes forming part of accounts as at 31st March, 2016 (Contd...)**

	As at 31.03.2016 (Amount in ₹)	As at 31.3.2015 (Amount in ₹)		
a) The Principal amount and the Interest due there on remaining unpaid to any supplier as at the end of each accounting year				
Principal	3,84,44,560	4,93,67,288		
Interest	NIL	NIL		
b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil		
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	Nil	Nil		
d) The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil		
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the Interest dues above are actually paid to the Small Enterprises for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil		
3. Value of Imports on CIF Basis:				
	2015-16 Amount in ₹	2014-15 Amount in ₹		
a) Raw Materials	40,07,957	11,90,445		
b) Components & Spare parts	1,94,69,114	4,08,37,901		
c) Capital Goods	7,49,280	1,67,06,953		
4. Expenditure in Foreign currency (Others):	18,89,081	-		
5. Earnings in Foreign Exchange:	Nil	Nil		
6. Contingent Liabilities and claims against the company not acknowledged as debts:				
	2015-2016 (Amount in ₹)	2014-2015 (Amount in ₹)		
(i) Estimated amount of contracts to be Executed on capital account and not provided for	4,44,331	1,63,10,158		
(ii) Guarantees and Counter Guarantees executed by the Company	34,56,261	42,44,300		
(iii) Letters of Credit	-	10,29,984		
7. Sales tax assessments have been completed up to Financial Year 2005 – 2006 and Financial Year 2009 – 2010 & 2011-2012				
8. Income Tax assessments have been completed up to A.Y. 2012 -13.				
9. Deferred Tax:				
The break-up of the Deferred Tax Assets / Liabilities is as under:		(Amount in ₹)		
	Opening Balance	Additions during the year	Reversals during the year	Closing Balance
On account of Depreciation	1,78,67,266	75,66,644	-	2,54,33,910
Total (A)	1,78,67,266	75,66,644	-	2,54,33,910



# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

Notes forming part of accounts as at 31st March, 2016 (Contd...)

(Amount in ₹)

Deferred Tax Asset	Opening Balance	Additions during the year	Reversals during the year	Closing Balance
On account of 43B Disallowance	13,79,379	61,444	-	14,40,823
VRS	16,24,279	-	(6,94,325)	9,29,954
Software Charges	2,949	-	(1,691)	1,258
Carried Forward Losses	1,83,181	-	-	1,83,181
<b>Total (B)</b>	<b>31,89,788</b>	<b>61,444</b>	<b>(6,96,016)</b>	<b>25,55,216</b>

Deferred Tax Liability (Net) (A-B)	1,46,77,478	75,05,200	6,96,016	2,28,78,694
------------------------------------	-------------	-----------	----------	-------------

## 10. Details of Turnover:

Description	2015 - 16	2014 - 15
a) Control Panels	1,53,70,49,388	1,52,06,86,917
b) Plastic Components	27,47,23,798	24,53,84,333
c) Spares & Accessories	2,38,82,366	2,06,85,702
d) Sale of Power	57,68,324	80,92,506
e) Labour charges Receipts	2,66,45,067	2,38,06,069
f) Sale of Scrap	23,13,286	22,70,635
<b>Total</b>	<b>1,87,03,82,229</b>	<b>1,82,09,26,162</b>

## 11. Calculation of Earnings per share (Face value ₹10/- Per share)

1) Net Profit after tax before Extraordinary items : (A)	₹ 8,59,90,418	₹ 8,23,58,335
No. of Shares : (B)	24,58,000	24,58,000
Basic and diluted EPS (A)/(B)	₹ 34.98	₹ 33.51
2) Net Profit after tax & after Extraordinary items : (A)	8,59,90,418	8,23,58,335
No. of Shares : (B)	24,58,000	24,58,000
Basic and diluted EPS (A) / (B)	₹ 34.98	₹ 33.51

## 12. Employee Benefits

Defined Benefit Plans	Gratuity (Funded)		Leave Encashment (Unfunded)	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
<b>A. Expense recognised during year ended 31.03.2016</b>				
1 Current Service Cost	18,13,601	13,71,833	7,59,704	5,76,240
2 Interest cost	19,53,146	17,33,599	3,72,938	3,47,172
3 Expected return on plan assets	(24,42,299)	(21,75,389)	-	-
4 Actuarial Losses / (Gains) during the year	34,35,936	12,46,390	(1,40,479)	11,54,217
5 Total Expense	47,60,384	21,76,433	9,92,163	20,77,629
<b>B. Actual return on Plan assets</b>				
1 Expected return on plan assets	24,42,299	21,75,389	-	-
2 Actuarial (Loss) / Gain on Plan assets	-	-	-	-
3 Actual return on Plan assets	24,42,299	21,75,389	-	-

**Notes forming part of accounts as at 31st March, 2016 (Contd...)**

<b>C. Net Asset/(Liability) recognised in the Balance Sheet</b>					
1	Present value of the obligation as on 31.03.2016	3,09,87,886	2,44,14,320	52,36,702	53,17,972
2	Fair value of plan assets as on 31.03.2016	3,29,61,796	2,58,04,388	-	-
3	Funded status [Surplus / (Deficit)]	19,73,910	13,90,068	(52,36,702)	(53,17,972)
4	Unrecognised past service cost	-	-	-	-
5	Net Asset/(Liability) recognised in the Balance Sheet	19,73,910	13,90,068	(5236702)	(5317972)
<b>D. Change in present value of the Obligation during the year ended March 31,2016</b>					
1	Present value of the obligation as at April 1, 2015	2,44,14,320	2,16,69,984	53,17,972	43,06,875
2	Current Service Cost	18,13,601	13,71,833	7,59,704	5,76,240
3	Interest cost	19,53,146	17,33,599	3,72,938	3,47,172
4	Benefits paid	(6,29,117)	(16,07,486)	(10,73,433)	(10,66,532)
5	Actuarial (gain) / loss on obligation	34,35,936	12,46,390	(1,40,479)	11,54,217
6	Present value of obligation as at March 31,2016	3,09,87,886	244,14,320	52,36,702	53,17,972
<b>E. Change in Assets during the year ended March 31, 2016</b>					
1	Fair value of plan assets as at April 1, 2015	2,58,04,388	246,51,810	-	-
2	Expected return on plan assets	24,42,299	21,75,389	-	-
3	Contributions made	53,44,226	5,84,675	10,73,433	10,66,532
4	Benefits paid	(6,29,117)	(16,07,486)	(10,73,433)	(10,66,532)
5	Actuarial gain / (loss) on plan assets	-	-	-	-
6	Fair value of plan assets as at March 31, 2016	3,29,61,796	2,58,04,388	-	-
<b>F. Major categories of plan assets as a percentage of total plan</b>					
1	Qualifying insurance policies	3,29,61,796	2,58,04,388	-	-
2	Own plan assets	-	-	-	-
	Total	3,29,61,796	2,58,04,388	-	-
<b>G. Actuarial Assumptions</b>					
1	Discount rate	8.00%	8.00%	8.00%	7.80%
2	Salary escalation	7.00%	7.00%	8.00%	7.00%
3	Expected rate of return on plan assets	8.75%	8.75%	-	-
4	Attrition rate	1.50%	1.50%	3.00%	3.00%
5	Mortality rate	-	-	-	-

Note: The salary escalation considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. Gratuity is applicable to all permanent and full time employees of the Company. "Gratuity payment is based on last drawn basic salary and dearness allowance at the time of termination or retirement. The Scheme takes into account each completed year of service or part thereof in excess of six months. The entire contribution is borne by the Company". Leave encashment benefits are provided as per the Rules of the Company.

13. Some of the Debtors / Creditors accounts whose balances show a variance as compared to the Books of Accounts of the Company are in the process of reconciliation. This however will not have any material impact on the profits for the year.
14. Figures have been rounded off to the nearest rupee.
15. The previous year's figures have been regrouped and reclassified wherever necessary to suit this year's presentation.

As per our report of even date  
For N.R. DORAISWAMI & CO  
Chartered Accountants  
Firm Regn. No.000771S

**SUGUNA RAVICHANDRAN**  
Partner  
Membership No. 207893

Place : Coimbatore  
Date : May 26, 2016

**SANJAY JAYAVARTHANAVELU**  
Director  
(DIN : 00004505)

**B.K.RAVI KUMAR**  
Chief Financial Officer

**NETHRA J.S. KUMAR**  
Chairperson and Managing Director  
(DIN : 00217906)

**S. SATHYANARAYANAN**  
Company Secretary

# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

## III. CASH FLOW STATEMENT

31.03.2015 (₹ in Lakhs)	Particulars	31.03.2016 (₹ in Lakhs)
	<b>A. CASHFLOW FROM OPERATING ACTIVITIES :</b>	
1230.69	Net profit before tax and extraordinary items	1,310.20
	<b>Adjustments for :</b>	
117.25	Depreciation	190.00
-	Deferred revenue expenditure	-
26.35	Interest paid	45.47
-	Foreign exchange	-
(8.22)	Profit/Loss on sales of assets(net)	(3.03)
(388.97)	Interest / Dividend	(224.02)
977.10	Operating Profit before working capital changes	1,318.62
	<b>Adjustments for :</b>	
(1,047.72)	Trade and other receivables	(89.79)
(541.65)	Inventories	524.51
(30.88)	Trade payables	(1,207.41)
(643.15)	Cash generated from operations	545.93
(290.87)	Direct taxes paid	(360.02)
(934.02)	Cash flow before extraordinary items	185.91
	<b>Extraordinary items :</b>	
-	Prior year expenses	-
-	Prior year income and excess provision reversed	-
(934.02)	Net cash from operating activities	185.91
	<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>	
(1,245.78)	Purchase of fixed assets	(344.74)
23.54	Sale of fixed assets	9.47
-	Purchase of investments	-
-	Sale of investment	1,000.03
388.97	Interest/Dividend received	224.02
-	Intercompany loan	-
(833.27)	Net cash used in investing activities	888.78
	<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>	
-	Proceeds from long term borrowings	-
-	Repayment of long term borrowings	-
(229.57)	Working capital borrowings	183.96
-	Fixed deposits	-
(26.35)	Interest paid	(45.47)
(122.90)	Dividend paid	(172.06)
(20.89)	Corporate tax on dividend	(35.03)
(399.71)	Net cash used in financing activities	(68.60)
(2,167.00)	Net increase in cash and cash equivalents	1,006.09
4463.32	Cash and cash equivalents (Opening balance)	2,296.32
2296.32	Cash and cash equivalents (Closing balance)	3,302.41
	Note: Cash and cash equivalents include the following Balances not available for use:	
17.58	Unpaid dividend warrant account	19.01

See accompanying notes to the financial statements

As per our report of even date

For N.R. DORAISWAMI & CO

Chartered Accountants

Firm Regn. No.000771S

**SUGUNA RAVICHANDRAN**

Partner

Membership No. 207893

Place : Coimbatore

Date : May 26, 2016

**SANJAY JAYAVARTHANAVELU**

Director

(DIN : 00004505)

**B.K.RAVI KUMAR**

Chief Financial Officer

**NETHRA J.S. KUMAR**

Chairperson and Managing Director

(DIN : 00217906)

**S. SATHYANARAYANAN**

Company Secretary

**IV. SEGMENT REPORTING FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

PRIMARY- BUISNESS SEGMENT	Electricals		Plastics		Wind Power Generation		TOTAL	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
<b>Revenue</b>								
Sales	1,58,43,23,362	1,55,58,95,060	25,13,32,190	23,08,61,892	57,68,324	80,92,506	1,84,14,23,876	1,79,48,49,458
Inter unit transfers	-	-	-	-	-	-	-	-
Allocable other income	29,23,307	33,72,164	2,63,38,325	2,35,26,560	-	-	2,92,61,632	2,68,98,724
Total revenue	1,58,72,46,669	1,55,92,67,224	27,76,70,515	25,43,88,452	57,68,324	80,92,506	1,87,06,85,508	1,82,17,48,182
<b>Less:</b> Inter unit transfers								
<b>Add:</b> Unallocable other income							2,24,01,967	3,88,96,535
Enterprise revenue							1,89,30,87,475	1,86,06,44,717
<b>Result</b>								
Segment results	10,93,05,330	7,92,52,495	1,6,05,663	33,17,350	25,18,202	47,73,292	11,34,29,195	8,73,43,137
Unallocable expenses							-	-
Operating profit							11,34,29,195	8,73,43,137
<b>Less:</b> Interest expenses							45,46,942	26,34,684
Bank Charges							2,64,127	5,35,707
Incometax expenses							4,50,29,675	4,07,10,946
<b>Add:</b> Unallocable income								
Interest receipts							1,90,45,553	3,61,61,129
Dividend receipts							33,56,414	26,74,691
Net gain from foreign exchange							-	60,715
Net Profit after tax							8,59,90,418	8,23,58,335
<b>Other information</b>								
Segment assets	88,06,04,693	84,33,17,003	26,25,23,776	24,11,34,109	3,11,12,316	3,31,33,008	1,17,42,40,785	1,11,75,84,120
<b>Add:</b> Unallocated corporate assets							69,57,798	10,69,60,398
Enterprise assets							1,18,11,98,583	1,22,45,44,518
Segment liabilities	18,89,53,830	29,54,25,865	2,11,36,207	3,04,51,086	33,27,080	33,27,080	21,34,17,117	32,92,04,031
<b>Add:</b> Unallocated corporate liabilities							96,77,81,466	89,53,40,487
Enterprise liabilities							1,18,11,98,583	1,22,45,44,518
Capital expenditure	3,99,76,356	5,97,79,695	1,69,38,362	4,40,29,293	-	-	5,69,14,718	10,38,08,988
Depreciation	97,97,964	50,61,325	79,55,804	54,17,199	12,46,579	1,246,579	1,90,00,347	1,17,25,103

Notes: 1) The company is organised into three main Business Segments viz., Electricals, Plastics & Wind Power Generation

2) All customers are located within India. There are no reportable segments in Secondary Geographical segments

3) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis

See accompanying notes to the financial statements

As per our report of even date

For N.R. DORAISWAMI & CO

Chartered Accountants

Firm Regn. No.000771S

**SUGUNA RAVICHANDRAN**

Partner

Membership No. 207893

Place : Coimbatore

Date : May 26, 2016

**SANJAY JAYAVARTHANAVELU**

Director

(DIN : 00004505)

**B.K.RAVI KUMAR**

Chief Financial Officer

**NETHRA J.S. KUMAR**

Chairperson and Managing Director

(DIN : 00217906)

**S. SATHYANARAYANAN**

Company Secretary

# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

## V. RELATED PARTY DISCLOSURES FOR THE YEAR ENDED 31ST MARCH 2016

### 1. Relationships

Description of relationship	Names of related parties
Other related parties	Eshann Enterprises Ltd GKD ITR Tooling Center Harshni Textiles Ltd Integrated Electrical Controls India Ltd Lakshmi Precision Tools Ltd Lakshmi Electrical Drives Ltd Lakshmi Ring Travellers (Coimbatore) Ltd Lakshmi Cargo Company Ltd Lakshmi Technology & Engineering Industries Ltd Lakshmi Life Sciences Ltd LCC Cargo Holding Ltd Lakshmi Machine Works Ltd Mahalakshmi Engineering Holding Ltd Quattro Engineering India Ltd Starline Travels Ltd Sun Spintex Ltd Venkata Varadhaa Agencies Pvt Ltd Supreme Dairy Products India Pvt Ltd
Key Management Personnel	Smt. Nethra J.S. Kumar Chairperson and Managing Director

### 2. Transactions

(Amount in ₹)

DETAILS	OTHER RELATED PARTIES	KEY MANAGEMENT PERSONNEL
Purchase of goods	44,23,28,534 (1,04,72,53,139)	–
Sale of goods	1,99,90,21,049 (1,92,64,95,104)	–
Sale of Fixed Assets	6,25,000 (12,78,181)	–
Rendering of services	3,05,91,551 (2,76,08,610)	–
Receiving of services	90,34,619 (80,27,064)	–
Managerial Remuneration	–	82,11,929 (86,12,565)
Loans given	–	–
Investment in Equity	–	–
Sale of equity	10,00,00,000 –	–

### Amount due to / from related parties

DETAILS	OTHER RELATED PARTIES	KEY MANAGEMENT PERSONNEL
Accounts Receivable	30,64,12,603 (28,29,12,145)	–
Accounts Payable	7,36,08,635 (14,17,19,514)	6,86,122 (3,88,817)

**Disclosure in respect of Material Related Party Transactions during the year :**

1. Purchase of Goods includes Lakshmi Machine Works Limited ₹ 32,44,02,852 (Previous Year ₹ 85,50,14,984) and Lakshmi Precision Tools Limited ₹ 11,69,67,155 (Previous Year ₹ 19,15,05,632), Others - Other Related Parties - Associates ₹ 9,58,527 (Previous Year ₹ 7,32,523).
2. Sale of Goods includes Lakshmi Machine Works Limited ₹ 1,98,78,19,722 (Previous Year ₹ 1,91,36,36,186) and Others - Other Related Parties - Associates ₹ 1,12,01,327 (Previous Year ₹ 1,28,58,918).
3. Sale of Fixed Assets includes Lakshmi Precision Tools Limited ₹ Nil (Previous Year ₹ 12,78,181), Starline Travels Limited ₹ 6,25,000 (Previous Year ₹ Nil) and Others - Other Related Parties - Associates ₹ Nil (Previous Year ₹ Nil).
4. Rendering of Services includes Lakshmi Machine Works Limited ₹ 2,32,80,534 (Previous Year ₹ 2,09,46,950), Lakshmi Precision Tools Limited ₹ 42,18,944 (Previous Year ₹ 33,28,834) and Others - Other Related Parties - Associates ₹ 30,92,073 (Previous Year ₹ 33,32,826).
5. Receiving of Services includes Lakshmi Cargo Company Limited ₹ 44,83,137 (Previous Year ₹ 38,55,529) Starline Travels Limited ₹ 41,79,688 (Previous Year ₹ 37,91,633) and Others - Other Related Parties - Associates ₹ 3,71,794 (Previous Year ₹ 3,79,902).
6. Managerial Remuneration includes amount paid to Smt. Nethra J.S. Kumar ₹ 82,11,929 (Previous Year ₹ 86,12,565)
7. Sale of Equity Shares includes Lakshmi Electrical Drives Limited ₹ 10,00,00,000 (Previous Year ₹ Nil) and Others - Other Related Parties - Associates ₹ Nil (Previous Year ₹ Nil).
8. Dividend paid to includes Smt. Nethra J.S. Kumar ₹ 34,81,359 (Previous Year ₹ 24,86,685) Lakshmi Electrical Drives Limited ₹ 9,18,442 (Previous Year ₹ 6,56,030), Others - Other Related Parties - Associates ₹ 1,03,950 (Previous Year ₹ 74,250).
9. Outstanding Receivables includes Lakshmi Machine Works Limited ₹ 30,25,78,052 (Previous Year ₹ 28,09,30,562) and Others - Other Related Parties - Associates ₹ 38,34,551 (Previous Year ₹ 19,81,583).
10. Outstanding Payables includes Lakshmi Machine Works Limited ₹ 6,97,27,147 (Previous Year ₹ 13,09,77,986) and Others - Other Related Parties - Associates ₹ 45,67,610 (Previous Year ₹ 1,07,41,528).

See accompanying notes to the financial statements

As per our report of even date  
For N.R. DORAISWAMI & CO  
Chartered Accountants  
Firm Regn. No.000771S

**SUGUNA RAVICHANDRAN**

Partner  
Membership No. 207893

Place : Coimbatore  
Date : May 26, 2016

**SANJAY JAYAVARTHANAVELU**

Director  
(DIN : 00004505)

**B.K.RAVI KUMAR**  
Chief Financial Officer

**NETHRA J.S. KUMAR**

Chairperson and Managing Director  
(DIN : 00217906)

**S. SATHYANARAYANAN**  
Company Secretary











To

M/s. S.K.D.C. Consultants Ltd.  
Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road,  
Ganapathy, Coimbatore - 641 006

**Unit : LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED**  
ELECTRONIC CLEARING SERVICE (CREDIT CLEARING)

1. Particulars of the shareholder

- a) Regd. Folio no. : \_\_\_\_\_
- b) Name of the first Regd. Holder (in block letters) : \_\_\_\_\_

2. Particulars of the Bank

- a) Name of your Bank : \_\_\_\_\_
- b) Address of the Branch : \_\_\_\_\_
- c) Account no. (as appearing in the Cheque book) : \_\_\_\_\_
- d) Ledger Folio No. (if any) of the bank account : \_\_\_\_\_

- e) Account Type : Please Tick relevant box  
(Savings account, Current account or Cash Credit)

SAVINGS	CURRENT	CASH CREDIT
---------	---------	-------------

- f) Nine Digit code number of the bank and branch appearing on the MICR cheque issued by the bank

(please attach a photocopy of a cheque for verifying the accuracy of the code number)

--	--	--	--	--	--	--	--	--	--

**DECLARATION**

I, hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effective at all for reasons of incomplete or incorrect information, I would not hold the Company responsible

(Signature of the first Regd.holder)  
as per specimen signature with the Company

Place : \_\_\_\_\_ Name : \_\_\_\_\_

Date : \_\_\_\_\_ Address : \_\_\_\_\_

\_\_\_\_\_ Pin Code \_\_\_\_\_

- Note : 1. Please send the form to the address mentioned above.  
2. In case the scheme does not meet with the desired response or due to any other operational reasons it is found to be unviable, the Company reserves the right to pay dividend by issue of Warrants.







**LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED**

Arasur - 641 407, Coimbatore Dist, India.

Phone : +91 422 3093500. Fax : +91 422 3093555

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

CIN : L31200TZ1981PLC001124



# LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

CIN: L31200TZ1981PLC001124

Registered Office:34-A, Kamaraj Road, Coimbatore -641 018

Phone : 0422 3093500 Fax:0422 3093555 Email : investorscell@lecsindia.com Website : www.lecsindia.com

## FORM NO. MGT - 11 PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s), Registered address, E-mail ID, Folio No., Client ID: & DP ID:
---

I/We being the member(s) holding ..... shares of the above named Company, hereby appoint:

1) Name : Address : Email ID : Signature
or failing him/her
2) Name : Address : Email ID : Signature
or failing him/her
3) Name : Address : Email ID : Signature

P.T.O.

✂ -Cut here -

### Electronic Voting Particulars

If desirous of E-voting, please read the instructions given in the Notice before exercising

EVSN (Electronic Voting Sequence Number)	* Default Pan /Sequence No
<b>160707011</b>	

\* Those who have not registered their PAN may use Default Pan

✂ -Cut here -



**ATTENDANCE SLIP**

### LAKSHMI ELECTRICAL CONTROL SYSTEMS LIMITED

CIN: L31200TZ1981PLC001124

Registered Office:34-A, Kamaraj Road, Coimbatore - 641 018

Phone : 0422 3093500 Fax:0422 3093555 Email : investorscell@lecsindia.com Website : www.lecsindia.com

PLEASE BRING THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF **Nani Kalai Arangam, Mani Higher Secondary School,P.N. Palayam, Coimbatore – 641 037**

Name and address of the Shareholder

Folio No. / Demat ID :

No. of Shares held :

I hereby record my presence at the 35<sup>th</sup> ANNUAL GENERAL MEETING at 'Nani Kalai Arangam, Mani Higher Secondary School, Pappanaickenpalayam, Coimbatore - 641 037 on Monday the 8<sup>th</sup> August, 2016 at 03.00 PM

\* Strike out whichever is not applicable

Signature of Member / Proxy\*

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35<sup>th</sup> Annual General Meeting of the company, to be held on Monday the 8<sup>th</sup> August, 2016 at 03.00 PM at "Nani Kalai Arangam", Mani Higher Secondary School, Pappanaickenpalayam, Coimbatore-641037 and at any adjournment thereof in respect of such resolutions as are indicated below :

S. No.	Subject	
1	Adoption of Annual Financial Statements.	
2	Declaration of Dividend, of the year ended 31 <sup>st</sup> March, 2016	
3	Reappointment of Sri. Sanjay Jayavarthanavelu (holding DIN 00004505), Director retiring by rotation.	
4	Appointment of Auditors and to fix their remuneration	
5	Approval of reappointment and remuneration payable to Smt. Nethra J.S. Kumar, Chairperson and Managing Director, for the period 01.07.2017 to 31.03.2022	

Signed this ..... day of ..... 2016

Affix  
₹ 1/-  
Revenue  
Stamp

Signature of shareholder : .....

Signature of Proxy holder (s) : .....

**Note :**

**This form of proxy, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**