

LAKSHMI MACHINE WORKS LIMITED

Our Ref : Sec/270/2020
Date : 29.06.2020

B S E Limited
Listing Department
Phiroze Jeejeebhoy Towers
Dalal Street, MUMBAI-400 001

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, C-1, Block-G, Bandra Kurla Complex
Bandra(E), MUMBAI - 400 051.

Dear Sirs,

Sub : Compliance of SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015.

We enclose herewith a copy of the Notice of 57th Annual General Meeting to be held on
24th July, 2020.

This is for your information and record. Kindly acknowledge the same.

Thanking you,

Yours faithfully,

For LAKSHMI MACHINE WORKS LIMITED



**C R SHIVKUMARAN
COMPANY SECRETARY**

cc : B S E Limited
Corporate Relationship Department
1st Floor, New Trading Ring
Rotunda Building, P.J.Towers,
Dalal Street, MUMBAI - 400 001.

LAKSHMI MACHINE WORKS LIMITED

CIN L29269TZ1962PLC000463

Regd. Office: SRK Vidyalaya Post, Perianaickenpalayam, Coimbatore - 641020

Phone: +91 422 7192255, Fax: +91 422 2692541

Email: secretarial@lmw.co.in Website: www.lmwglobal.com



Notice to Shareholders

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NOTICE is hereby given that the 57th Annual General Meeting ('AGM') of the Shareholders of Lakshmi Machine Works Limited will be held at 02.45 PM India Standard Time (IST) on Friday the 24th day of July, 2020, through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business(es):-

Ordinary Business

1. To receive, consider and adopt standalone and consolidated Annual Financial Statements including Statement of Profit and Loss (including Other Comprehensive Income), along with the Statement of Cash Flows and the Statement of changes in Equity for the financial year ended 31st March, 2020, the Balance Sheet as at that date, the Report of the Board of Directors and the Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in the place of Sri S Pathy (DIN: 00013899), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business

4. Re-appointment of Sri K Soundhar Rajhan (DIN: 07594186) as Whole-time Director (Designated as Director – Operations) of the Company and in this regard, if thought fit, to give assent/dissent to the following resolution to be passed as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment thereof, for the time being in force), consent of the members be and is hereby accorded to the re-appointment of Sri K Soundhar Rajhan (DIN: 07594186) as a Whole-time Director (Designated as Director – Operations) of the Company for a period of 3 years with effect from 1st November, 2020 on the following terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and Board of Directors at their respective meetings held on 25th May, 2020.

Terms of Appointment

Term: The tenure of re-appointment of Whole-time Director (designated as Director – Operations) shall be for a period of 3 (three) years commencing from 1st November, 2020.

- a. **Salary:** ₹6,67,000/- per month
- b. **Perquisites:** In addition to the salary he is entitled to the following perquisites:
House rent allowance: ₹3,33,000/- per month

Medical benefits: One month basic salary, per annum

Leave Travel Assistance: Two months' basic salary, per annum

Other perquisites: Gas, electricity, water, club fees at actual.

- c. For the purpose of calculating the ceiling, perquisites shall be evaluated as per Income Tax rules wherever applicable.
- d. 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 shall not be included in the computation of the ceiling on remuneration or perquisites.
- e. Gratuity payable shall not exceed half a month's salary for each completed year of service. The Director-Operations 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.
- f. Provision of company car with driver for use on Company's business and telephone facility at his 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 Whole-time Director (designated as Director-Operations).

g. During his tenure as Whole-time Director (designated as Director-Operations), he shall be liable to retire by rotation and the same shall not be treated as break in his service as Whole-time Director (designated as Director-Operations).

h. In the event of loss or inadequacy of profits in any financial year, in compliance with Schedule V of the Companies Act, 2013, the compensation / perks as mentioned above from point (a) to (f) shall be paid as minimum remuneration.

i. The Whole-time Director (designated as Director-Operations) shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

RESOLVED FURTHER THAT pursuant to Section 196(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the relevant rules made thereunder and applicable Regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members is also accorded for the continuance of employment of Sri K Soundhar Rajhan, who is above the age of 70 years, as Whole-time Director (designated as Director – Operations) of the Company till the end of his tenure.

RESOLVED FURTHER THAT the Board of Directors (including committees thereof) be and are hereby authorized to alter and vary the terms of re-appointment and/or remuneration payable to Sri K Soundhar Rajhan, Whole-time Director, (designated as Director-Operations), as it may deem fit, subject to the same not exceeding the limits as approved by the shareholders.

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

5. Approval for payment of minimum remuneration to Sri Sanjay Jayavarthanavelu, Chairman and Managing Director, (DIN: 00004505) in case of inadequacy or absence of profits arising due to the COVID-19 pandemic induced economic/business slow down and also approval to authorise Board of Directors for modification of remuneration payable to Sri Sanjay Jayavarthanavelu, Chairman and Managing Director (DIN: 00004505) to be in tandem with the performance of the Company which has been impacted due to the ongoing COVID-19 pandemic, within the limits as already

approved by the shareholders and in this regard if thought fit, to give assent/dissent to the following resolution to be passed as a Special Resolution:

RESOLVED THAT in partial modification of the resolution passed by the members of the Company at the 53rd Annual General Meeting held on 5th August, 2016 and pursuant to Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V thereto and the relevant Rules made thereunder and Regulation 17(6)(e) and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force) and on the recommendation of the Nomination and Remuneration Committee and approval of the Audit Committee and Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded for payment of remuneration on the terms and conditions already approved by the shareholders at the 53rd Annual General Meeting held on 5th August, 2016 and at the 56th Annual General Meeting held on 22nd July, 2019 as minimum remuneration to Sri Sanjay Jayavarthanavelu, Chairman & Managing Director (DIN: 00004505) of the Company, in case of inadequacy or absence of profits in any financial year with effect from 1st April, 2019 until 31st March, 2022 being the remaining period of his present tenure as Chairman & Managing Director.

RESOLVED FURTHER THAT for the period from 1st April, 2020 until 31st March, 2022; being a period within the present tenure of Sri Sanjay Jayavarthanelu as Chairman & Managing Director, the Board of Directors of the Company (including Committees thereof) be and are hereby authorised to alter and vary the terms and conditions of his re-appointment and/ or remuneration as it may deem fit, subject to the same not exceeding the upper limits as approved earlier by the shareholders.

RESOLVED FURTHER THAT except for the aforesaid modifications, all other terms and conditions of his appointment as Chairman & Managing Director of the Company, as approved by the resolution passed at the 53rd Annual General Meeting held on 5th August, 2016 and at the 56th Annual General Meeting held on 22nd July, 2019 shall remain unchanged.

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

6. Approval to authorize the Board of Directors for modification of remuneration payable to Sri K Soundhar Rajhan (DIN: 07594186), Whole-time Director (Designated as Director-Operations) to be in tandem with performance of the Company which has been impacted due to the ongoing COVID – 19 pandemic induced economic / business slowdown, within the limits as already approved by the shareholders and in this regard, if though fit, to give assent/dissent to the following resolution to be passed as a Special Resolution:

RESOLVED THAT in partial modification of the resolution passed by the Members of the Company vide Postal Ballot on 21st December, 2017 and pursuant to Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereunder and applicable Regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and on recommendation of the Nomination and Remuneration Committee and on approval of Audit Committee and Board of Directors, consent of the Members be and is hereby accorded to authorize the Board of Directors of the Company to alter and vary the terms and conditions of the appointment and/or remuneration of Sri K Soundhar Rajhan, (DIN: 07594186) Whole-time Director (Designated as Director – Operations) with effect from 1st April, 2020 till the remaining period of his present tenure until 31st October,

2020, as it may deem fit, subject to the same not exceeding the upper limits as already approved by the shareholders vide Postal Ballot on 21st December, 2017.

RESOLVED FURTHER THAT except for the aforesaid modification, all other terms and conditions of his appointment as Whole-time Director (Designated as Director – Operations) of the Company, as approved by the Resolution passed by the Members vide Postal Ballot on 21st December, 2017 shall remain unchanged.

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

7. Ratification of remuneration payable to Cost Auditor and in this regard if thought fit, to give assent/dissent to the following resolution to be passed as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof, for the time being in force), Sri A. N. Raman, (Membership No.: 5359) Cost Accountant, Chennai, who was appointed as Cost Auditor by the Board of Directors of the Company on the recommendation of the Audit Committee, to conduct the audit of the cost accounting records of the Company for the financial year 2020-21 on a remuneration of ₹6,00,000/- (Rupees Six Lakhs only) per annum exclusive of applicable taxes and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit fixed by the Board of Directors be and is hereby ratified and confirmed.

Place: Coimbatore
Date: 25th May, 2020

By order of the Board
C R Shivkumaran
Company Secretary

NOTE(S):

1. The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business(es) as set out in the Notice is annexed hereto.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated 5th May, 2020 read with circulars dated 8th April, 2020 and 13th April, 2020 (collectively referred to as "MCA Circulars") permitted the conduct of the Annual General Meeting ("AGM") through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. The deemed venue for the AGM shall be the Corporate Office of the Company. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to bkcacbe@gmail.com with a copy marked to evoting@nsdl.co.in.
5. The Register of Members and share transfer books of the Company will remain closed from Saturday, 18th July, 2020 to Friday, 24th July, 2020 (both days inclusive) as per Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 91 of the Companies Act, 2013.
6. Dividend as recommended by the Board of Directors, if declared at the Annual General Meeting will be paid within 30 days from the date of declaration, to those members whose names appear on the Register of Members in respect of shares held in physical form as well as in respect of shares held in electronic form as per the details received from the depositories for this purpose as at the close of the business hours on Friday, 17th July, 2020.
7. Members who have not registered their Bank particulars with the Depository Participants ("DP")/ Company are advised to utilize the electronic solutions provided by National Automated Clearing House (NACH) for receiving dividends. Members holding shares in electronic form are requested to contact their respective Depository Participants for availing this facility. Members holding shares in physical form are requested to download the NACH form from the website of the Company viz., www.lmwglobal.com and the same, duly filled up and signed along with original canceled cheque leaf may be sent to the Company or to the Registrar and Share Transfer Agent.
8. Members whose shareholding is in the electronic mode are requested to update bank account details (Bank Account No., name of the Bank, Branch, IFSC code, MICR code and place with PIN Code) to their respective Depository Participants and not to the Company. Members whose shareholding is in the physical mode are requested to direct the above details to the Company or to the RTA. Regular updation of bank particulars is intended to prevent fraudulent encashment of dividend warrants.

9. The Company has entered into agreements with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"). The Depository System envisages the elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, fake certificates, thefts in postal transit, delay in transfers, mutilation of share certificates, etc. Simultaneously, Depository System offers several advantages like exemption from stamp duty, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc. Members, therefore, now have the option of holding and dealing in the shares of the Company in electronic form through NSDL or CDSL. Members are encouraged to convert their holdings to electronic mode.
10. Securities and Exchange Board of India has mandated that the transfer of securities held in physical form, except in case of transmission or transposition, shall not be processed by the listed entities / Registrars and Share Transfer Agents with effect from 1st April, 2019. Therefore, members holding share(s) in physical form are requested to immediately dematerialize their shareholding in the Company. Necessary prior intimation in this regard was provided to the shareholders.
11. a) Members are requested to notify immediately any change of address:
 - i. to their Depository Participants ("DPs") in respect of the shares held in electronic form, and
 - ii. to the Company or its RTA, in respect to the shares held in physical form together with a proof of address viz, Aadhar/Electricity Bill/ Telephone Bill/Ration Card/Voter ID Card/ Passport etc.
 b) In case the registered mailing address is without the Postal Identification Number Code ("PIN CODE"), Members are requested to kindly inform their PIN CODE immediately to the Company / RTA/ DPs.
12. Non-Resident Indian ("NRI") Members are requested to inform the Company or its RTA or to the concerned Depository Participants, as the case may be, immediately:
 - a) the change in the residential status on return to India for permanent settlement, or
 - b) the particulars of the NRE/NRO Account with a Bank in India, if not furnished earlier.
13. As per the provisions of Section 72 of the Act, facility for making nominations is now available to INDIVIDUALS holding shares in the Company, Members holding shares in physical form may obtain the Nomination Form from the RTA of the Company or can download the form from the Company's website namely www.lmwglobal.com. Members holding shares in electronic form must approach their Depository Participant(s) for completing the nomination formalities.
14. Members who are holding shares in identical order of names in more than one folio are requested to send to the Registrar and Share Transfer Agent ("RTA"), the details of such folios together with the share certificates for consolidating their holdings into one folio. The share certificates will be returned to the Members after making requisite changes thereon.
15. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company Secretary of the Company or its RTA, namely, M/s S.K.D.C. Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore-641 006 by quoting the Folio number or the Client ID number with DP ID number.
16. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
17. A member who needs any clarification on accounts or operations of the Company shall write to the Company Secretary, so as to reach him at least 7 days before the meeting. The same will be replied by the Company suitably, during the course of AGM or through separate e-mail.

18. Members who wish to claim dividends, which remain unclaimed, are requested to correspond with the Company Secretary / RTA of the Company. Members are requested to note that pursuant to Section 124 of the Companies Act, 2013; dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government under Section 125 of the Companies Act, 2013. The details of unpaid dividend can be viewed on the Company's website www.lmwglobal.com. As per the provisions of Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016, the Company will be transferring the share(s) on which the beneficial owner has not encashed any dividend during the last seven years to the IEPF demat account as identified by the IEPF Authority. Details of shareholders whose shares are liable to be transferred to IEPF are available at the Company website: www.lmwglobal.com. The shareholders whose unclaimed dividend /share has been transferred to the 'Investor Education and Protection Fund', may claim the same from IEPF authority by filing Form IEPF-5 along with requisite documents.
19. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May, 2020, Notice of the AGM along with the Annual Report for the year 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.lmwglobal.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.
20. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
21. Members may note that M/s. S. Krishnamoorthy & Co., Chartered Accountants, Coimbatore, (FRN: 001496S), the Statutory Auditors of the Company were appointed by the Shareholders at the 53rd Annual General Meeting (AGM) held on 5th August, 2016, to hold office for a period of 5 years till the conclusion of AGM to be held during the year 2021, subject to ratification by the shareholders at every AGM. However, the Ministry of Corporate Affairs vide notification dated 7th May, 2018 amended Section 139 of the Companies Act, 2013 by omitting the requirement of seeking ratification of the members for appointment of statutory auditors at every AGM. Accordingly, the original resolution appointing the Statutory Auditors passed by the Shareholders at the 53rd AGM held on 5th August, 2016 was amended vide resolution approved by the Shareholders at their 55th AGM held on 23rd July, 2018 to remove the requirement for ratification of the appointment of auditors by the shareholders at every AGM. Hence, no resolution is being proposed for ratification of appointment of Statutory Auditors at this Annual General Meeting. The Board of Directors at their Meeting held on 25th May, 2020, based on the recommendation of the Audit Committee have fixed an amount of ₹15,00,000/- (exclusive of applicable taxes and reimbursement of out of pocket expenses incurred in connection with the Statutory Audit) as remuneration payable to Statutory Auditors for the Financial Year 2020-21. The remuneration proposed to be paid to the Statutory Auditors during the Financial Year 2020-21 is same as the remuneration paid during the previous Financial Year 2019-20.
22. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their Residential Status, Category as per IT Act, PAN with the Company/RTA (in case of shares held

in physical mode) and depositories (in case of shares held in demat mode) immediately.

A Resident individual shareholder having PAN and entitled to receive dividend amount exceeding ₹5,000/- and who is not liable to pay income tax, can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to lmwgreen@skdc-consultants.com on or before 20th July, 2020. Shareholders are requested to note that in case their PAN is not registered with the DP/Company, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to lmwgreen@skdc-consultants.com. The aforesaid declarations and documents need to be submitted by the shareholders on or before 20th July, 2020.

Separate intimation in this regard to Shareholders will be given on or before 23rd June, 2020.

23. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
24. 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 Participant(s) with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN details to the Company or RTA.
25. Members holding shares in electronic form may please note that as per the regulations of Securities and Exchange Board of India (SEBI), National Security Depository Services Limited (NSDL) and Central Depository Services (India)

Limited (CDSL), the Company is obliged to print the bank details on the dividend warrants as furnished by these depositories to the Company and the Company cannot entertain any request for deletion/change of Bank details already printed on dividend warrants as per the information received from the concerned depositories. In this regard, Members should contact their Depository Participants ("DP") and furnish particulars of any changes desired by them.

26. Brief resume, details of shareholding and Directors'/KMP inter-se relationship with Director(s) seeking election/re-election/ changes in terms as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2, are provided as Annexure to this Notice.
27. As per the green initiative taken by the Ministry of Corporate Affairs, the shareholders are advised to register/update their e-mail address with the Company/RTA in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in electronic form in order to enable the Company to serve documents in electronic mode.
28. Annual financial statements and related details of the wholly owned subsidiary company viz, LMW Textile Machinery (Suzhou) Co Ltd. China, is posted on the Company's website and is also kept for inspection at the Registered Office of the Company and at the subsidiary Company. A copy of the same will be provided to the members on request.
29. Soft copies of the Register of Directors and Key Managerial Personal and their shareholding, maintained under Section 170 of the Companies Act, 2013 and 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 who request for the same, during the AGM.

VOTING THROUGH ELECTRONIC MEANS

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS - 2), the Company is providing to its Members with the facility to cast their vote electronically from a place other than venue of the Annual General Meeting ("remote e-voting") using an electronic voting system provided by National Securities Depository Ltd ('NSDL') as an alternative, for all members of the Company to enable them to cast their votes electronically, on all the business items set forth in the Notice of Annual General Meeting and the business may be transacted through such remote e-voting/e-voting during AGM. The instructions provided hereafter for e-voting explain the process and manner for generating/ receiving the password, and for casting of vote(s) in a secure manner. However, the Members are requested to take note of the following items

- I. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of Annual General Meeting Notice and holding shares as of the cut-off date, i.e. Friday, 17th July, 2020, may refer to this Notice of the Annual General Meeting, posted on Company's website www.lmwglobal.com for detailed procedure with regard to remote e-voting. Any person who ceases to be the member of the Company as on the cut-off date and is in receipt of this Notice, shall treat this Notice for information purpose only.
- II. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

Instructions for shareholders voting electronically are as under:

The remote e-voting period begins on Tuesday, 21st July, 2020 at 09:00 A.M. India Standard Time (IST) and ends on Thursday, 23rd July, 2020 at 05:00 P.M. IST. The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

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

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

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

Details on Step 1 is mentioned below:

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

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

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

4. Your User ID details are given below :

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

5. Your password details are given below:

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

Details on Step 2 is given below:

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

- After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- After clicking on Active Voting Cycles, you will be able to see all the companies "EVEN" in which

you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to bkcacbe@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to Ms. Sarita Mote at evoting@nsdl.co.in.

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investors@lmw.co.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to evoting@nsdl.co.in.

Instructions for members for e-voting on the day of the AGM are as under:

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

Instructions for members for attending the AGM through VC/OAVM are as under:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the

same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at investors@lmw.co.in on or before 05.00 PM IST on Monday, 20th July, 2020.
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investors@lmw.co.in on or before 05.00 PM IST on Monday, 20th July, 2020. The same will be replied by the Company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled

time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

- III. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Friday, 17th July, 2020.
- IV. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote by remote e-voting shall not vote by e-voting conducted during the Meeting.
- V. The Company has appointed Sri B. Krishnamoorthi, Chartered Accountant, as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- VI. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow e-voting for all those members who are present at the Annual General Meeting by electronic means but have not cast their votes by availing the remote e-voting facility.
- VII. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes casted during the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him

in writing, who shall countersign the same and declare the result of the voting forthwith.

VIII. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.lmwglobal.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges, where the shares of the Company are listed.

EXPLANATORY STATEMENT IN TERMS OF SECTION 102 OF THE COMPANIES ACT, 2013

ITEM No. 4

Considering the association and contributions of Sri K Soundhar Rajhan (DIN: 07594186) during his tenure with the Company, the Board of Directors have re-appointed him as Whole-time Director (designated as Director – Operations) of the Company for a period of 3 years on the remuneration and perquisites as set out in the resolution. The Board members consider that his appointment as Whole-time Director (designated as Director – Operations) of the Company would be greatly beneficial for future growth of the Company.

Further, in view of his qualification and experience, members of the Company may accord their consent to the re-appointment & continuance of employment of Sri K Soundhar Rajhan, who is above the age of 70 years, as Whole-time Director (designated as Director - Operations) of the Company for a period of three years commencing from 1st November, 2020.

As per Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee at their meeting held on 25th May, 2020 had, in the best interest and progress of the Company, proposed the re-appointment of Sri K. Soundhar Rajhan as Whole-time Director (designated as Director - Operations) for a period of three years commencing from 1st November, 2020 and determined his remuneration as set out in the resolution and recommended the same to the Board. The proposed remuneration is well within the limits prescribed in the Companies Act, 2013, the Schedule and Rules made there under.

Pursuant to the provisions of the Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Audit Committee at the meeting held on 25th May, 2020 had also approved the remuneration payable to Sri K Soundhar Rajhan as Whole-time Director (designated as Director -Operations) of the Company for a period of three years, commencing from 1st November, 2020 and recommended the same to the Board.

The Board recommends the Special Resolution set out in Item No. 4 of the Notice for the approval of the members.

The details as required under Schedule V of the Companies Act, 2013 and brief bio-data of Sri K Soundhar Rajhan and other disclosures as per Secretarial Standard 2 are furnished and forms a part of this notice.

Interest of Directors

Except Sri K Soundhar Rajhan, being the appointee, and Sri V Senthil, Chief Financial Officer, being his relative, none of the other Directors and/or Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the Resolution set out in Item No. 4 of the accompanying Notice to the AGM.

ITEM No. 5

Sri Sanjay Jayavarthanelu (DIN: 00004505) was re-appointed as the Managing Director of the Company for a period commencing from 1st June, 2017 until 31st March, 2022 on the terms and conditions as approved by the shareholders at the 53rd Annual General Meeting held on 5th August, 2016. Further, approval of the shareholders was also obtained by way of a Special Resolution for continuation of payment of remuneration exceeding Rupees Five Crores or 2.5% of Net Profits of the Company pursuant to Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") at the 56th Annual General Meeting held on 22nd July, 2019.

Pursuant to the provisions of Section 197(3) of the Companies Act, 2013 ("the Act") read with Schedule

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

By considering the prevailing economic and business conditions, greatly impacted by the outbreak of COVID-19 pandemic, the Company may be in a situation of having inadequacy or absence of profits for payment of remuneration to the Chairman & Managing Director.

Therefore, taking into consideration the amendments made to Schedule V of the Companies Act, 2013 subsequent to his appointment and considering the necessity to provide for payment of minimum remuneration in the event of loss or inadequate profits of the Company, and as a matter of abundant caution, it is proposed to obtain approval of Members by way of Special Resolution for payment of remuneration as per the terms and conditions already approved by the shareholders at the 53rd Annual General Meeting held on 5th August, 2016 as minimum remuneration to Sri Sanjay Jayavarthanavelu, Chairman & Managing Director, in case the Company has inadequacy or absence of profits in any financial year(s) during his tenure. Further, it has been proposed to authorize the Board of Directors to alter and vary the terms and conditions of the appointment and / or remuneration of Sri Sanjay Jayavarthanavelu, Chairman & Managing Director, to be in tandem with the performance of the Company, as it may deem fit, subject to the same not exceeding the upper limits as already approved by the shareholders, during the remaining period of his present tenure of office.

The Nomination and Remuneration Committee, Audit Committee and the Board of Directors at their respective Meetings held on 25th May, 2020 have inter alia recommended the above resolution for approval of the Members by means of Special Resolution. Further, as on 31st March, 2020, the Company has no debts.

Except for the modification mentioned in the resolution, all other terms and conditions of his appointment as Chairman & Managing Director of the Company as approved by the members of the Company at the 53rd Annual General Meeting held on 5th August, 2016 and at the 56th Annual General Meeting held on 22nd July, 2019 shall remain unchanged.

The disclosures as required under Schedule V of the Act, Regulation 36 of the Listing Regulations and Secretarial Standards 2 are furnished and forms a part of this Notice.

The Board recommends the resolution set out in Item No. 5 of the Notice for the approval of the members.

Interest of Directors

Except Sri Sanjay Jayavarthanavelu, none of the other Directors and/or Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the Resolution set out in Item No. 5 of the accompanying Notice of the AGM.

ITEM No. 6

Sri K Soundhar Rajhan (DIN: 07594186) was appointed as Whole-time Director (Designated as Director-operations) of the Company for a period of three years commencing from 1st November, 2017 on the terms and conditions as approved by the shareholders vide Postal Ballot on 21st December, 2017.

Pursuant to Section 196, 197, Schedule V of the Companies Act, 2013 and relevant rules made thereunder any change in the terms of appointment should be duly authorized by the shareholders of the Company.

Considering the prevailing economic and business conditions, greatly impacted by the outbreak of the COVID – 19 pandemic, it has been proposed to authorize the Board of Directors to alter and vary the terms and conditions of the appointment and / or remuneration of Sri K Soundhar Rajhan, Whole-time Director (designated as Director – Operations), to be in tandem with the performance of the Company,

with effect from 1st April, 2020 till the remaining period of his present tenure that ends on 31st October, 2020, subject to the same not exceeding the upper limits as approved by the shareholders.

The Nomination and Remuneration Committee, Audit Committee and the Board of Directors at their respective meetings held on 25th May, 2020 have inter alia recommended / approved the above resolution for approval of the Members by means of a Special Resolution. Further, as on 31st March, 2020, the Company has no debts.

Except for the modification as mentioned in the Resolution, all other terms and conditions of his appointment as Whole-time Director, (designated as Director-operations) of the Company as approved by the shareholders vide Postal Ballot on 21st December, 2017 shall remain unchanged.

The disclosure as required under Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2 are furnished and forms part of this notice.

The Board recommends the Resolution as set out in item no. 6 of the Notice for approval of the members.

Interest of Directors

Except Sri K Soundhar Rajhan and Sri V Senthil, the Chief Financial Officer of the Company, who being his relative, none of the other Directors and/or Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the Resolution set out in Item No. 6 of the accompanying Notice to the AGM.

ITEM No. 7

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment

of and remuneration payable to Sri A N Raman, Cost Accountant for auditing the cost accounting records of the Company pursuant to the Companies (Cost Records and Audit) Rules 2014, for the Financial Year 2020-21 at a remuneration of ₹6,00,000/- (Rupees Six Lakhs Only) excluding the applicable taxes and reimbursement of out of pocket expenses incurred by him in connection with the audit.

As per Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditor as determined by the Board is required to be ratified by the members of the Company. Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out in Item No. 7 of the notice for ratification of the remuneration payable to the Cost Auditor for the Financial Year 2020-21.

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

Interest of Directors

None of the Directors, Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the resolution set out as Item No. 7 of the accompanying Notice of the AGM.

Place: Coimbatore
Date: 25th May, 2020

By order of the Board
C R Shivkumaran
Company Secretary

Annexure to Notice of AGM

Statement of information as per Schedule V of the Companies Act, 2013

Relevant to Sri K Soundhar Rajhan, Whole-time Director (Designated as 'Director – Operations') pursuant to item number 04, 06 & Sri Sanjay Jayavarthanavelu, Chairman & Managing Director, pursuant to item number 05 of the notice.

I. GENERAL INFORMATION

1. Nature of Industry

Engineering Industry

2. Date or expected date of commencement of commercial production

The Company was incorporated on 14th September, 1962 and commenced commercial production subsequently in the same year.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus

Not Applicable

4. Financial performance based on given indicators

(₹ in Lakhs, except EPS)

Particulars	2019-20	2018-19
Sales & other income	1,66,373.16	2,74,198.32
Profit/ (Loss) before tax	6,440.66	28,650.30
Profit/ (Loss) after tax	4,499.76	18,927.98
Paid-up equity capital	1,068.30	1,068.30
Reserves and Surplus	1,64,563.14	1,67,967.96
Basic Earnings per share	42.12	174.15

5. Foreign Investments or collaborations, if any.

Nil

II. INFORMATION ABOUT THE DIRECTORS

A) Sri K Soundhar Rajhan, Whole-time Director (Director-Operations)

i. Background details

Sri K Soundhar Rajhan, currently is the Whole-time Director (Director-Operations) of the Company. His tenure of appointment is for 3 years from 1st November, 2017. Currently he is responsible for operations of Foundry Division, Machine Tools Division & Advance Technology Centre.

ii. Past Remuneration

During the year 2019-20, Sri K Soundhar Rajhan was paid a Gross Remuneration of ₹1,38,70,017/-

iii. Recognition or awards

Nil

iv. Job Profile and his suitability

Sri K Soundhar Rajhan as Whole-time Director of the Company shall have all powers and duties as the Board may determine from time to time. Sri K Soundhar Rajhan has adequate managerial experience in the relevant field, hence is considered suitable for the job.

v. Remuneration proposed

Details of proposed remuneration for item no 4 (re-appointment for a period of 3 years commencing from 1st November, 2020) is disclosed in the Resolution.

For item no 6 (modification of terms of appointment), details of present remuneration is as follows:

- Salary: ₹6,20,000/- per month.
- Perquisites: In addition to the salary he is entitled to the following perquisites:
 - House Rent Allowance: ₹3,10,000/- per month.
 - Leave Travel Allowance: Two months basic salary, per annum.

3. Medical benefits: One-month basic salary, per annum.
 4. Other perquisites: Gas, electricity, water, club fees at actual.
- c. For the purpose of calculating the ceiling, perquisites shall be evaluated as per Income Tax rules wherever applicable.
 - d. 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 shall not be included in the computation of the ceiling on remuneration or perquisites.
 - e. Gratuity payable shall not exceed half a month's salary for each completed year of service. The Whole- time Director (designated as Director-Operations) 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.
 - f. Provision of Company car with driver for use on Company's business and telephone facility at his 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 Whole-time Director (designated as Director - Operations).
 - g. During his tenure as Whole-time Director (designated as Director-Operations), he shall be liable to retire by rotation and the same shall not be treated as break in his service as Whole-time Director (designated as Director-Operations).
 - h. In the event of loss or inadequacy of profits in any Financial Year, the Whole-time Director (designated as Director-Operations) shall be paid remuneration by way of salary, allowances and perquisites as specified under Section II of Part II of Schedule V of the Companies Act, 2013 or within such other ceilings

as may be prescribed from time to time under Schedule V of the Companies Act, 2013 and as may be amended from time to time as minimum remuneration.

- i. The Whole- time Director (designated as Director-Operations) shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.
- vi. **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)**

Taking into consideration the size of the Company, profile of Sri K Soundhar Rajhan responsibility shouldered by him and the industry standard, the remuneration paid is commensurate with the remuneration packages paid to Managerial Personnel in similar other companies.

- vii. **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any**

Besides the remuneration being received, the Whole-time Director does not have any pecuniary relationship with the Company. He is a relative of Sri V Senthil, Chief Financial Officer. Besides this relationship Sri K Soundhar Rajhan is not related to any other Directors/ Key Managerial Personnel of the Company.

B) Sri Sanjay Jayavarthanavelu, Chairman & Managing Director

- i. **Background details**

Sri Sanjay Jayavarthanavelu, is the Chairman and Managing Director of the Company. His tenure of appointment commenced from 1st June, 2017 and

is until 31st March, 2022. Currently he is responsible for overall operations of the entire organization.

ii. Past Remuneration

During the year 2019-20, Sri Sanjay Jayavarthanavelu was paid a Gross Remuneration of ₹3,26,34,204/-

iii. Recognition or awards

Over the past 2.5 decades of Sri Sanjay Jayavarthanavelu's association with the Company and the industry, he has

been both a member and/or Chairman of various prestigious industrial bodies / association. He has also been suitably recognized by various forums/ industrial bodies/ association(s) for his contributions.

iv. Job Profile and his suitability

Sri Sanjay Jayavarthanavelu as Managing Director of the Company shall have all powers and duties as the Board may determine from time to time.

v. Remuneration proposed

1 Salary	₹9,00,000/- per month till 31 st March, 2022
2 Commission on Net Profits	At the rate of 2% for the period from 1 st April, 2019 to 31 st March, 2020 and at the rate of 3% for the period from 1 st April, 2020 to 31 st March, 2022.
3 Perquisites	In addition to the Salary and Commission, the Managing Director shall be entitled to the following interchangeable perquisites till 31 st March, 2022:
	Furnished accommodations, where accommodation is not provided, 50% of the salary as HRA, gas, electricity, water, furnishings, medical reimbursement, Leave Travel Allowance for self and family, club fees, medical insurance, etc, in accordance with the rules of the Company. The above perquisites are restricted to an amount equal to the salary drawn per annum. For the purpose of calculating the above ceiling, perquisites shall be valued as per Income Tax rules wherever applicable
	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, shall not be included in the computation of the ceiling on remuneration or perquisites.
	Gratuity payable shall not exceed half a month's salary for each completed year of service. The Managing Director is also 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.

vi. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

Taking into consideration the size of the Company, profile of Sri Sanjay Jayavarthanavelu; responsibility shouldered by him and the industry standard, the

remuneration paid is commensurate with the remuneration packages paid to Managerial Personnel in similar other companies.

vii. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any

Sri Sanjay Jayavarthanavelu, is promoter

of the Company. He is not related to any other Directors and/or Key Managerial Personnel of the Company.

III. OTHER INFORMATION

1. Reasons for loss or inadequate profits

Not applicable as the Company has earned a profit during the year. However, the Company foresees a situation where it may have absence or inadequacy of profits in the ensuing Financial Years owing to economic and business slowdown caused by the COVID-19 Pandemic.

2. Steps taken or proposed to be taken for improvement.

Not applicable

3. Expected increase in productivity and profits in measurable terms.

Not applicable

IV. DISCLOSURES

- (i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc. of all the directors

Please refer to Section titled "Remuneration of Directors" as contained in the Corporate Governance Report.

- (ii) Details of fixed component and performance linked incentives along with the performance criteria

Please refer to Section titled "Remuneration of Directors" as contained in the Corporate Governance Report.

- (iii) Service contracts, notice period, severance fees

Please refer to Section titled "Remuneration of Directors" as contained in the Corporate Governance Report.

- (iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable

The Company has not issued any Stock Options.

PROFILE OF DIRECTOR SEEKING APPOINTMENT / REAPPOINTMENT

(Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2 – Clause 1.2.5 issued by ICSI)

Sri S Pathy

Name	Sri S Pathy	
Director Identification Number (DIN)	00013899	
Date of Birth/Nationality	17 th November, 1949 / Indian	
Date of appointment on the Board	21 st March, 1973	
Inter-se relationship with other Directors/Key Managerial Personnel	None of the Directors, Key Managerial Personnel of the Company are related to Sri S Pathy	
Qualification	B.Com	
Expertise in area	Sri S Pathy has about four decades of experience in the fields of textile, textile engineering, finance and administration. Also refer to the section on skill sets as contained in the Corporate Governance Report.	
Number of Shares held in the Company	1,420 Equity Shares of ₹10 each	
Board Position Held	Director (Non -Executive, Non-Independent, Part of Promoter Group)	
Terms and conditions of appointment / reappointment	Subject to shareholders' approval to be re-appointed as Director (Non -Executive, Non-Independent, Part of Promoter Group). He is liable to retire by rotation.	
Remuneration paid for the financial year	Information disclosed in the Corporate Governance Report annexed to the Annual Report.	
Remuneration proposed to be paid	As determined by the Board of Directors within the limits specified under Section 198 of the Companies Act, 2013 subject to an overall limit of ₹1,00,00,000/- (Rupees One Crore only) per annum (exclusive of sitting fees payable to the Non-Executive Directors for attending the meetings of the Board of Directors, Committees thereof and meeting of Independent Directors). The proposed remuneration that will be determined by the Board of Directors to be paid to Sri S Pathy, will not exceed 50% of the total remuneration otherwise payable to all Non-Executive Directors of the Company.	
Number of Board Meetings attended during the year	Information disclosed in the Corporate Governance Report annexed to the Annual Report	
Directorship held in other companies	Listed: 1. The Lakshmi Mills Company Limited 2. Lakshmi Automatic Loom Works Limited	Others: 1. Sans Craintes Livestock Private Limited 2. Sans Craintes Stud Farm Private Limited 3. Coimbatore Lakshmi Cotton Press Private Limited 4. Lakshmi Card Clothing Mfg. Company Private Limited 5. Sans Craintes Power Private Limited 6. Rasakondalu Developers Private Limited 7. LCC Investments Private Limited

Chairman / Membership in other committees of the Board	Listed: 1. Lakshmi Machine Works Limited Member in Nomination and Remuneration Committee and Stakeholders Relationship Committee 2. The Lakshmi Mills Company Limited Chairman of Corporate Social Responsibility Committee
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Sri K Soundhar Rajhan

Name	Sri K Soundhar Rajhan
Director Identification Number (DIN)	07594186
Date of Birth/Nationality	2 nd May, 1948 / Indian
Date of appointment on the Board	1 st November, 2017
Inter-se relationship with other Directors/Key Managerial Personnel	He is a relative of Sri V Senthil, Chief Financial Officer of the Company. Besides this relationship, he is not related to any other Director and/or Key Managerial Personnel of the Company.
Qualification	B.Sc.
Expertise in area	Management and Administration. Also refer to the section on skill sets as contained in the Corporate Governance Report.
Number of Shares held in the Company	110 Equity Shares of ₹10 each
Board Position Held	Whole-time Director (designated as Director-Operations)
Terms and conditions of appointment/reappointment	Subject to shareholders' approval to be re-appointed as Whole-time Director, (designated as Director-Operations) as specified in Item No. 4 of the Notice. He is liable to retire by rotation.
Remuneration paid for the financial year	Information disclosed in the Corporate Governance Report annexed to the Annual Report.
Remuneration proposed to be paid	As set out in the Resolution no. 4 & 6 of the Notice and annexure as set out.
Number of Board Meetings attended during the year	Information disclosed in the Corporate Governance Report annexed to the Annual Report.
Directorship held in other companies	Indian Machine Tool Manufacturers Association
Chairman / Membership in other committees of the Board	Lakshmi Machine Works Limited Member in Risk Management Committee

Sri Sanjay Jayavarthanavelu

Name	Sri Sanjay Jayavarthanavelu
Director Identification Number (DIN)	00004505
Date of Birth/Nationality	15 th June, 1968 / Indian
Date of appointment on the Board	24 th February, 1993
Inter-se relationship with other Directors/Key Managerial Personnel	Sri Sanjay Jayavarthanavelu is not related to any of the Directors and/or Key Managerial Personnel of the Company.
Qualification	Postgraduate in Business Administration from Philadelphia University, USA with specialization in Management and Finance
Expertise in area	He has more than two and half decades of experience in the fields of textile, textile engineering, machine tools, foundry, aerospace, logistics, finance and administration. Also refer to the section on skill sets as contained in the Corporate Governance Report.

Number of Shares held in the Company	1,42,291 Equity Shares of ₹10 each
Board Position Held	Chairman and Managing Director
Terms and conditions of appointment / reappointment	Sri Sanjay Jayavarthanavelu was re-appointed as the Managing Director of the Company for a period commencing from 1 st June, 2017 until 31 st March, 2022 on the terms and conditions as approved by the shareholders at the 53 rd Annual General Meeting held on 5 th August, 2016. Based on the prevailing economic conditions impacted by the COVID-19 pandemic, it is proposed to obtain approval of Members for payment of remuneration as per the terms and conditions already approved by the shareholders at the time of his re-appointment as minimum remuneration to him in case of inadequacy or absence of profits in any financial year during the remaining period of his re-appointment.
Remuneration paid for the financial year	Information disclosed in the Corporate Governance Report annexed to the Annual Report.
Remuneration proposed to be paid	As set out in the explanatory statement to Item No. 5 of the Notice.
Number of Board Meetings attended during the year	Information disclosed in the Corporate Governance Report annexed to the Annual Report.
Directorship held in other companies	Listed: 1. The Lakshmi Mills Company Limited 2. Carborundum Universal Limited 3. Lakshmi Electrical Control Systems Limited 4. Super Sales India Limited Others: 1. Chakradhara Aerospace and Cargo Private Limited 2. Lakshmi Life Sciences Limited 3. Lakshmi Ring Travellers (Coimbatore) Private Limited 4. Lakshmi Technology and Engineering Industries Limited 5. Alampara Hotels and Resorts Private Limited 6. Lakshmi Cargo Company Limited
Chairman / Membership in other committees of the Board	Listed: 1. Carborundum Universal Limited Chairman of Audit Committee Chairman of Nomination and Remuneration Committee 2. The Lakshmi Mills Company Limited Member in Nomination and Remuneration Committee 3. Lakshmi Machine Works Limited Chairman of Corporate Social Responsibility Committee Chairman of Shares and Debentures Committee Chairman of Risk Management Committee 4. Super Sales India Limited Member in Share Transfer Committee Others: 1. Lakshmi Cargo Company Limited Chairman of Corporate Social Responsibility Committee 2. Chakradhara Aerospace and Cargo Private Limited Member in Corporate Social Responsibility Committee