

Ref: S. 177/2018-2019/ 000601

1st September, 2018

BSE Limited
Corporate Relationship Department
First Floor, New Trading Ring
Rotunda Building
P.J. Towers, Dalal Street
Mumbai – 400 001.

Dear Sirs,

Sub: Submission of Annual Report as per Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual Report for the year ended 31st March, 2018 as approved and adopted in the Annual General Meeting held on 31st August, 2018 as per the provisions of the Companies Act, 2013.

We request you to kindly take the above on records.

Thanking You,

Yours faithfully,

For KSE Limited



R. Sankaranarayanan

Chief Financial Officer and
Company Secretary



SCALING NEW HEIGHTS

54th
ANNUAL
REPORT
2017-2018

Respectful Homage



M.C. PAUL

21.05.1924 - 13.02.2018

Founder Director
From 25.09.1963 to 23.10.2017

Ex Managing Director
From 01.11.1994 to 22.10.2017

KSE Limited

*Your guidance and support will always be cherished
and will continue to inspire us in our future endeavours.*

Respectful Homage



DR. K. C. VIJAYARAGHAVAN

30.11.1956 - 19.04.2018

Director
From 30.04.1990 to 19.04.2018
KSE Limited



CIN : L15331KL1963PLC002028

Registered Office

Solvent Road, Irinjalakuda,
Kerala -680 121

Statutory Auditors

M/s. S. S. AYYAR & CO.,
Chartered Accountants
(Firm No. 050012 S)
Ajantha, Thirunakkara West,
Temple Road, Kottayam - 686 001

Secretarial Auditors

CS Sathish V.
Practising Company Secretary
(FCS 8005 ; COP 8343)
Ernakulam

Cost Auditors

M/s. A. R. Narayanan & Co.
Cost Accountants, Regn. No.: 101421,
Ernakulam

Bankers

ICICI Bank Limited

Registrars and Share Transfer Agents

M/s. S.K.D.C. Consultants Limited,
Kanapathy Towers, 3rd Floor,
1391/A-1, Sathy Road, Ganapathy,
Coimbatore – 641006
Phone : 0422 4958995, 2539835, 2539836
Mail : info@skdc-consultants.com

Internal Auditors

M/s. Varma & Varma,
Chartered Accountants,
Thrissur

M/s. Srikishen & Co.,
Chartered Accountants
Coimbatore - 641 006

M/s. C. Krishnakumar & Associates
Chartered Accountants,
Trichur - 680 002

Chief Financial Officer and Company Secretary

R. Sankaranarayanan

Annual General Meeting

On Friday,
31st August, 2018 at 3.00 p.m.

Venue

Registered Office,
Solvent Road, Irinjalakuda - 680 121



BOARD OF DIRECTORS

Chairman

Dr. Jose Paul Thaliyath

Managing Director

A. P. George

(Executive Director from 01-10-2015 and elevated as Managing Director from 14-11-2017 upon the retirement of Mr. M.C. Paul as Managing Director on 22-10-2017)

Executive Director

M. P. Jackson

(appointed as additional director from 14-11-2017, on the resignation of Mr. M.C. Paul from the Board on 23-10-2017, and as Executive Director from 12-02-2018)

Directors

P. D. Anto

Dr. K. C. Vijayaraghavan

(expired on 19.04.2018)

T. R. Ragulal

(up to 30-05-2018)

Joseph Xavier

Sathi A. Menon

Paul John

Marykutty Varghese

Paul Francis

(appointed as additional director from 14-11-2017, on resignation of Mr. John Francis from the Board effective from 23-10-2017)

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Financial Highlights

	2017-2018	2016-2017
	₹ in Lakhs	₹ in Lakhs
Sales and other income	130936.40	104934.11
Gross Profit (Profit before Depreciation and Finance costs)	11337.22	3118.00
Profit before tax	10865.04	2588.41
Profit for the year (after tax)	6962.71	1636.02
Other Comprehensive Income (net of tax)	(88.40)	(88.64)
Total Comprehensive Income (after tax)	6874.31	1547.38
Shareholders' Equity (Net worth)	14379.14	8660.26
Capital employed	15039.43	9411.99
	₹	₹
Shareholders' equity per share	449.35	270.63
Earnings per share of ₹ 10 each	217.58	51.13
Proposed Dividend	600%	300%



Regd. Office : Solvent Road, Irinjalakuda - 680 121
CIN No.L15331KL1963PLC002028

NOTICE OF THE 54TH ANNUAL GENERAL MEETING

Notice is hereby given that the 54th Annual General Meeting of KSE Limited, Irinjalakuda will be held at the Registered Office of the Company on Friday, the 31st August, 2018 at 3.00 p.m. to transact the following business:

ORDINARY BUSINESS

1. Adoption of Accounts for the year ended 31st March, 2018

To consider and if deemed fit to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT the audited financial statements of the Company for the year ended 31st March, 2018 including balance sheet as at 31st March, 2018 and the statement of profit and loss for the year ended 31st March, 2018 together with the reports of the board of directors and the auditors of the Company thereon, as presented to the meeting, be and are hereby received, approved and adopted.”

2. Declaration of final dividend on equity shares at the rate of ₹ 60 per equity share

To consider and if deemed fit to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT final dividend of ₹ 60 per equity share on 32,00,000 equity shares of ₹ 10 each be and is hereby declared out of the profits of the Company for the year ended 31st March, 2018 absorbing an amount of ₹ 23,14,66,164 (including dividend distribution tax and surcharge and cess thereon) and that the dividend of ₹ 60 per equity share of ₹ 10 each as recommended by the Board of Directors of the Company at their meeting held on 30th May, 2018 be paid to those shareholders, whose names appear in the Company's register of members as on 31st August, 2018 and in respect of equity shares held in dematerialised form to those beneficial owners of the equity shares as at the end of business hours on 24th August, 2018 as per the details furnished by the depositories for this purpose.”

3. Reappointment of Director, retiring by rotation, Mr. P.D. Anto (DIN : 00106965)

To consider and if deemed fit to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. P.D. Anto (DIN : 00106965), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a director of the Company.”

4. Reappointment of Director, retiring by rotation, Mrs. Marykutty Varghese (DIN : 07307987)

To consider and if deemed fit to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mrs. Marykutty Varghese (DIN : 07307987), who retires by rotation and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a director of the Company.”

SPECIAL BUSINESS

5. Approval for acceptance of Deposits from Public/Members

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 73, 76 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Acceptance of Deposits) Rules, 2014 (“the Rules”) (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Members of the Company be accorded to the Company to invite/accept/renew from time to time unsecured/secured deposits from the public and/or Members of the Company upto the permissible limits as prescribed under the Rules.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company (herein after referred to as “the Board” which term shall be deemed to include any Committee thereof) be authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable for such invitation/acceptance/renewal of deposits by the Company and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

6. Approval of remuneration to Cost Auditor

To consider and if deemed fit to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. A.R. Narayanan & Co, Cost Accountants, Cochin, (ICAI Firm Registration No. 101421) appointed by the Board of Directors of the Company, to conduct the audit of the Cost records of the Company for the financial year ending 31st March, 2019 be paid the remuneration of ₹ 2,00,000 plus GST and out of pocket expenses.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7. Appointment of Mr. M.P. Jackson (DIN 01889504) as a Director

To consider and if deemed fit to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there-under (including any statutory modification(s) or re-enactments thereof for the time being in force), Mr. M.P. Jackson (DIN 01889504), who was appointed as an Additional Director of the Company with effect from 14th November, 2017 by the Board of Directors at its meeting held on 14th November, 2017 and whose term of office expires at this Annual General Meeting (‘AGM’) and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose the candidature of Mr. M.P. Jackson (DIN 01889504) for the office of Director of the Company, be and is hereby appointed as a Director of the Company.”

8. Appointment of Mr. Paul Francis (DIN 00382797) as a Director

To consider and if deemed fit to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there-under (including any statutory modification(s) or re-enactments thereof for the time being in force), Mr. Paul Francis (DIN 00382797), who was appointed as an Additional Director of the Company with effect from 14th November, 2017 by the Board of Directors at its meeting held on 14th November, 2017 and whose term of office expires at this Annual General Meeting (‘AGM’) and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose the candidature of Mr. Paul Francis (DIN 00382797) for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

9. Appointment of Dr. Pyarelal K.C. (DIN 00923913) as a Director

To consider and if deemed fit to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there-under (including any statutory modification(s) or re-enactments thereof for the time being in force), Dr. Pyarelal K.C. (DIN 00923913), in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose the candidature of Mr. Pyarelal K. C. (DIN 00923913) for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

10. Appointment of Ms. Danesa (DIN 07975553) as a Director

To consider and if deemed fit to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there-under (including any statutory modification(s) or re-enactments thereof for the time being in force), Ms. Danesa Raghulal Thandassery (DIN 07975553), in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose the candidature of Ms. Danesa Raghulal Thandassery (DIN 07975553) for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

11. Appointment of Mr. A.P. George (DIN 00106808) as Managing Director

To consider and if deemed fit to pass with or without modification the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V to the Companies Act, 2013 (including any amendment thereto or enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the appointment of Mr. A.P. George (DIN 00106808), who was appointed as Executive Director of the Company for a period of three years from 1st October, 2015, as Managing Director of the Company for the remaining period of his appointment, that is from 14th November, 2017 to 30th September, 2018 and also to the enhancement of his remuneration by way of salary, bonus, perquisites and allowances for the said period from 14th November, 2017 to 30th September, 2018 (both days inclusive), as follows, which is as approved by the Nomination and Remuneration Committee and by the Board of Directors of the Company in their respective meetings held on 14th November, 2017:

a) Salary

₹ 2,30,000 (Rupees Two Lakhs Thirty Thousand only) per month.

b) Bonus

Bonus at the rates and in accordance with the rules of the Company as applicable to the senior managerial personnel of the Company with in the overall limit under Schedule V to the Companies Act, 2013.

c) Gratuity

Gratuity, as per the Rules of the Company, subject to completion of a service of five years, at the rate of half a month's salary for each year of completed service with effect from 01.10.2015.

d) Contribution to funds

Company's contribution to provident fund to the extent the same is not taxable under the Income tax Act, 1961.

e) Benefits, Perquisites and Allowances

- i. Provision of a car with driver for official purposes and such driver's remuneration/expenses as fixed/approved by the Board shall be reimbursed to him, if he is not provided with Company's driver.
- ii. Free use of Company's Mobile Phone and telephone at his residence.
- iii. Reimbursement of medical expenses incurred for himself and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
- iv. Actual leave travel expenses, as per the Rules of the Company, excluding hotel charges once in a year to any place in India to himself and his family.
- v. Fees to clubs subject to a maximum of two clubs provided that no life membership fee or admission fee is paid.

The value of the perquisites would be evaluated as per Income tax Rules, 1962 wherever applicable and at cost in the absence of any such Rule.

RESOLVED FURTHER THAT in the event of there being inadequacy or absence of profits in any financial year, during the currency of tenure of the Managing Director, he will be paid above remuneration as minimum remuneration, subject to the terms in Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactments thereof or such other limit as may be prescribed by the Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) shall be authorised to revise or vary the remuneration or other terms and conditions of the appointment as it may deem fit subject to the condition that the same shall not exceed the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”

12. Reappointment of Mr. A.P. George (DIN 00106808), Managing Director

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V to the Companies Act, 2013 (including any amendment thereto or enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the reappointment of Mr. A.P. George (DIN 00106808) as Managing Director of the Company for a period of three years from 1st October, 2018 to 30th September, 2021, on the terms and conditions of reappointment and remuneration as set out in the draft agreement of the reappointment submitted to the meeting and initialed by the Chairman for the purpose of identification and that he be paid following remuneration by way of salary, bonus, perquisites and allowances which is as approved by the Nomination and Remuneration Committee and by the Board of Directors of the Company in their respective meetings held on 30th May, 2018:

a) Salary

₹ 2,80,000 (Rupees Two Lakhs Eighty Thousand only) per month with annual increment in the scale of ₹ 2,80,000-10,000-3,00,000.

b) Bonus

Bonus at the rates and in accordance with the rules of the Company as applicable to the senior managerial personnel of the Company with in the overall limit under Schedule V to the Companies Act, 2013.

c) Gratuity

Gratuity, as per the Rules of the Company, subject to completion of a service of five years, at the rate of half a month's last drawn salary for each year of completed service with effect from 01.10.2015.

d) Contribution to funds

Company's contribution to provident fund equivalent to 12 % of the salary as per the provisions of the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 and Rules and Regulations thereunder.

e) Benefits, Perquisites and Allowances

- i. Provision of a car with driver for official purposes and such driver's remuneration/expenses as fixed/approved by the Board shall be reimbursed to him, if he is not provided with Company's driver.
- ii. Free use of Company's Mobile Phone and telephone at his residence.
- iii. Medical Allowance (including reimbursement of medical expenses, if any, incurred for himself and family) equivalent to one month's salary per annum.
- iv. Leave travel Allowance (including reimbursement of actual Leave Travel expenses, as per the Rules of the Company) equivalent to one month's salary per annum.
- v. Fees to clubs subject to a maximum of two clubs provided that no life membership fee or admission fee is paid.

The value of the perquisites would be evaluated as per Income tax Rules, 1962 wherever applicable and at cost in the absence of any such Rule.

RESOLVED FURTHER THAT in the event of there being inadequacy or absence of profits in any financial year, during the currency of tenure of the Managing Director, he will be paid above remuneration as minimum remuneration, subject to the terms in Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactments thereof or such other limit as may be prescribed by the Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) shall be authorised to revise or vary the remuneration or other terms and conditions of the appointment as it may deem fit subject to the condition that the same shall not exceed the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT Sri. A.P. George shall be a Director not liable to retire by rotation by virtue of clause 116 of the Articles of Association of the Company, while he continues to hold the post of Managing Director.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”

13. Appointment of Mr. M.P. Jackson (DIN 01889504) as Executive Director

To consider and if deemed fit to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V to the Companies Act, 2013 (including any amendment thereto or enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the appointment of Mr. M.P. Jackson (DIN 01889504) as Executive Director of the Company for a period of three years from 12th February, 2018 to 11th February, 2021, for attending to the day to day functioning of the Company subject to the direction and control of the Managing Director and that he be paid following remuneration by way of salary, bonus, perquisites and allowances, during the period of his appointment, as approved by the Nomination and Remuneration Committee in their meeting held on 10th February, 2018 and thereafter by the Board of Directors in their meeting held on 12th February, 2018:

a) Salary

₹ 1,50,000 (Rupees One Lakh Fifty Thousand only) per month with annual increment in the scale of 1,50,000-7,500-1,65,000.

b) Bonus

Bonus at the rates and in accordance with the rules of the Company as applicable to the senior managerial personnel of the Company with in the overall limit under Schedule V to the Companies Act, 2013.

c) Gratuity

Gratuity, as per the Rules of the Company, subject to completion of a service of five years, at the rate of half a month's last drawn salary for each year of completed service with effect from 12.02.2018.

d) Contribution to funds

Company's contribution to provident fund equivalent to 12 % of the salary as per the provisions of the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 and Rules and Regulations thereunder.

e) Benefits, Perquisites and Allowances

- i. Provision of a car with driver for official purposes and such driver's remuneration/expenses as fixed/approved by the Board shall be reimbursed to him, if he is not provided with Company's driver.
- ii. Free use of Company's Mobile Phone and telephone at his residence.
- iii. Medical Allowance (including reimbursement of medical expenses, if any, incurred for himself and family) equivalent to one month's salary per annum.
- iv. Leave travel Allowance (including reimbursement of actual Leave Travel expenses, as per the Rules of the Company) equivalent to one month's salary per annum.
- v. Fees to clubs subject to a maximum of two clubs provided that no life membership fee or admission fee is paid.

The value of the perquisites would be evaluated as per Income tax Rules, 1962 wherever applicable and at cost in the absence of any such Rule.

RESOLVED FURTHER THAT in the event of there being inadequacy or absence of profits in any financial year, during the currency of tenure of the Executive Director, he will be paid above remuneration as minimum remuneration, subject to the terms in Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactments thereof or such other limit as may be prescribed by the Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) shall be authorised to revise or vary the remuneration or other terms and conditions of the appointment as it may deem fit subject to the condition that the same shall not exceed the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT Mr. M.P. Jackson shall be a Director not liable to retire by rotation by virtue of clause 116 of the Articles of Association of the Company, while he continues to hold the post of Executive Director.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”

14. Posthumous retirement benefits to Late M.C. Paul (DIN 00105776)

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT Mrs. Annie Paul, wife of Late M.C. Paul (DIN 00105776), be paid ₹ 7,50,000 (Rupees Seven Lakhs Fifty Thousand only), which is equivalent to three month's last drawn salary of Late M.C. Paul, as Leave Salary and that the Benz car with Registration No. KL-45M-2340 owned by the Company and being used by Late M.C. Paul for official purposes of the Company, purchased on 3rd July, 2015 for ₹ 71,29,717 and having a written down value of ₹ 24,55,841 as on 30th May, 2018, be handed over to Mrs. Annie Paul, wife of Late M.C. Paul as a reward from the Company for the selfless services rendered by Late M.C. Paul, who has retired as Managing Director of the Company as on 22nd October, 2017 and later expired on 13th February, 2018, towards the growth and development of the Company during the period of his association with the Company spanning over a period of 54 years.”

Notes:

1. The relative Explanatory Statement pursuant to Section 102 of Companies Act, 2013 in respect of the Special Business set out above is annexed hereto.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy and vote on a poll instead of himself and such a proxy need not be a member.
3. The instrument of proxy must be deposited with the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.
4. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
5. Members / Proxies are requested to bring duly filled Attendance Slip to attend the Meeting, along with their copy of Annual Report.
6. Corporate members intending to send their authorised representatives to attend the meeting 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 meeting.
7. Relevant documents referred to in the accompanying notice and the explanatory statement pursuant to Section 102 (1) of the Companies Act, 2013 will be available for inspection at the registered office of the Company during business hours on all working days up to the date of Annual General Meeting.
8. The Register of Members and Share Transfer Books of the Company will remain closed from 25th August, 2018 to 31st August, 2018 (both days inclusive).
9. The dividend, if declared at the Annual General Meeting, would be paid/despached on or after 1st September, 2018 to those persons or their mandates:
 - (a) whose names appear as Beneficial Owners as at the end of the business hours on 24th August, 2018 in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic mode; and
 - (b) whose names appear as Members in the Register of Members of the Company as on 31st August, 2018 after giving effect to valid share transfers in physical form lodged with the Company/its Registrar and Transfer Agents on or before 24th August, 2018.
10. Members are requested to note that dividend not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to Investor Education and Protection Fund pursuant to Section 124 of the Companies Act, 2013. It may be noted that no claim shall lie against the Company in respect of unclaimed dividend amount thus transferred to the said Fund. The members who have not encashed the dividend warrants for the final dividend for financial year ended 31st March 2011 onwards are requested to lodge their claim with the Company.
11. The Ministry of Corporate Affairs (MCA) on 10th May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends relating to the financial years from 2009-2010, as on the date of the 53rd Annual General Meeting (AGM) held on 31st August, 2017, on the website of the IEPF (www.iepf.gov.in) and on the website of the Company at www.kselimited.com.

12. Pursuant to Rule 6 of the Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, read with Section 124 and 125 of the Companies Act, 2013, all shares in respect of which dividends are not claimed for the last seven years in respect of any shareholder have to be transferred to the IEPF Demat account. Shareholders who have not claimed their dividends during the last seven years can write to our Registrar & Transfer Agents M/s. S.K.D.C. Consultants Ltd. for further details and for making a valid claim for the unclaimed dividends. Concerned shareholders who wish to claim the shares/ Dividend(s) after transfer to IEPF, a separate application has to be made to the IEPF Authority in Form IEPF-5, as prescribed under the Rules.
13. The members are requested to address all correspondences, including dividend matters and change in their addresses, to M/s. S.K.D.C. Consultants Limited, Registrars and Share Transfer Agents, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641 006 Phone: +91422-4958995, 2539835, 2539836 Email: info@skdc-consultants.com.
14. Members holding shares in the electronic mode are requested to approach their respective Depository Participants for effecting change of address and updation of bank account details.
15. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to M/s. S.K.D.C. Consultants Limited, Registrars and Share Transfer Agents of the Company, at the above mentioned address. Members holding shares in electronic mode may contact their respective Depository Participants for availing this facility.
16. Members have facility for dematerialising equity shares of the Company with National Securities Depository Ltd. and Central Depository Services (India) Ltd. The ISIN No. allotted to the Company is INE953E01014. Any member desirous of dematerialising his holding may do so through any of the Depository Participants.
17. Members may note that pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, transferees as well as transferors of shares of the Company in physical form shall furnish copy of PAN Card to the Company/ RTAs for registration of such transfer of shares.
18. Information pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the directors seeking appointment / re-appointment at the AGM are furnished and forms part of the notice. The directors have furnished the requisite consents/ declarations for their appointment / re-appointment.
19. **VOTING THROUGH ELECTRONIC AND PHYSICAL MEANS**

The members holding shares of the Company, either in physical form or in dematerialized form, as on the cut-off date (record date) of 24th August, 2018, will be eligible to cast their votes in any of the two modes mentioned below:

- A) In compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their votes by electronic means for all the resolutions detailed in the Notice of the 54th Annual General Meeting scheduled to be held on Friday, the 31st August, 2018 at 3.00 p.m. and the business will be transacted through remote e-voting. The Company has engaged the services of CDSL as the authorized agency to provide the e-voting facilities as per instructions given below. Once the member exercises vote by e-voting, he will not be allowed to change it subsequently or cast the vote again. A member may participate in the general meeting even after exercising his right to vote through remote e-voting, but will not be entitled to cast his/her vote again in the venue of the general meeting.
- B) In terms of Rule 20 of the Companies (Management and Administration) Rules, 2014, for members who have not already cast their votes by remote e-voting, facility to cast their vote at the annual general meeting, either by the members or by proxies, will be provided through ballot paper.

The instructions for shareholders voting electronically (by remote e-voting) are as under:

- (i) The voting period begins on 28th August, 2018 at 9.00 a.m. and ends on 30th August, 2018 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 24th August, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 30th August, 2018 at 5.00 p.m.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) 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.

- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for "KSE Limited" on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) 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 and enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) 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 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
 - 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 mailed to 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.

(xx) 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

Irinjalakuda
30-05-2018

By Order of the Board
For KSE Limited

REGISTERED OFFICE

Solvent Road, Irinjalakuda – 680121
Thrissur – KERALA.

Sd/-

R. Sankaranarayanan
Chief Financial Officer and
Company Secretary

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

Item 5 - Approval for acceptance of Deposits from Public/Members

The Company is accepting Fixed Deposits from public and members complying with the conditions laid down by Sections 73, 74(1) and 76 of the Companies Act, 2013 (“the Act”) and Companies (Acceptance of Deposits) Rules, 2014 (“the Rules”). Under the Act only an eligible company is allowed to accept deposits from persons other than its Members. An eligible company has been defined in the Rules to mean a public company as referred to in subsection(1) of Section 76, having a net worth of not less than one hundred crore rupees or a turnover of not less than five hundred crore rupees and which has obtained the prior consent of the company in general meeting by means of a special resolution and also filed the said resolution with the Registrar of Companies before making any invitation to the public for acceptance of deposits. Where the deposits accepted are within the limits specified under clause (c) of sub-section (1) of Section 180, the Company may accept deposits by means of an ordinary resolution, as provided in the Rules.

The Rules provide that the invitation for deposits is valid only up to six months from the closure of the financial year in which the invitation was made or up to the date of Annual General Meeting, whichever is earlier. Afterwards, for all renewals and further acceptance of deposits, fresh invitation with prior consent of the Company in general meeting is necessary as mentioned above.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution, as set out at Item No. 5 of the Notice. This Resolution enables the Board of Directors of the Company to accept/renew deposits up to the permissible limits laid down in the Rules.

None of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the Notice except to the extent to any deposits that they may have placed with the Company and interest payable thereon under its present Fixed Deposit Scheme.

The Board commend the Ordinary Resolution as set out at Item No. 5 of the Notice for approval by the Members.

Item 6 - Approval of remuneration to Cost Auditor

The Board has approved the appointment of M/s. A.R. Narayanan & Co, Cost Accountants, Cochin, (ICAI Firm Registration No. 101421), a firm of Cost Accountant in Practice, as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019 on a remuneration of ₹2,00,000 plus GST and out of pocket expenses.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no. 6 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending 31st March, 2019.

None of the directors and key managerial personnel of the Company and their relatives are concerned or interested in this resolution, financial or otherwise. Your directors commend the resolution for adoption.

Item 7 - Appointment of Mr. M.P. Jackson (DIN 01889504) as a Director

After the retirement of Mr. M.C. Paul (DIN 00105776) as Managing Director of the Company on 22nd October, 2017 followed with his resignation from the Board, on the recommendation of the Nomination and Remuneration Committee, Mr. M.P. Jackson (DIN 01889504) was appointed by the Board as Additional Director of the Company with effect from 14th November, 2017. As per Section 161 (1) of the Companies Act, 2013 (the Act), Mr. M.P. Jackson (DIN 01889504) will hold the office of directorship only up to the date of the next annual general meeting of the Company, but is eligible for appointment as a director at that meeting subject to the provisions of the Act.

Mr. M.P. Jackson (DIN 01889504), aged 65, son of Late M.C. Paul, after completing his BSc. (Physics) course, has involved in the family businesses and is now heading the MCP Group of concerns. He was Chairman of Irinjalakuda Municipality for two terms spanning over a period of nearly seven years. He is also Chairman of Irinjalakuda Town Co-operative Bank Ltd. and President of Irinjalakuda Co-operative Hospital Ltd. He is actively involved in many social, cultural, political and developmental activities in and around Irinjalakuda for over three decades.

In accordance with the provisions of Section 160 of the Act, the Company has received a notice in writing from a member signifying his intention to propose the candidature of Mr. M.P. Jackson (DIN 01889504) to the office of director of the Company.

In the opinion of the Board, Mr. M.P. Jackson (DIN 01889504) fulfils the conditions for his appointment as a Director as specified in the Companies Act, 2013.

This statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further information about Mr. M.P. Jackson (DIN 01889504), in accordance with the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached.

Mr. M.P. Jackson (DIN 01889504) is interested in the resolution. None of the other Directors and Key Managerial Personnel and their relatives of the Company is concerned or interested, financial or otherwise, in the above resolution. The Board of Directors recommends the resolution for adoption.

Item 8 - Appointment of Mr. Paul Francis (DIN 00382797) as a Director

Resignation of Mr. John Francis from the directorship of the Company was accepted by the Board at its meeting held on 23rd October, 2017. In that place, on the recommendation of the Nomination and Remuneration Committee, Mr. Paul Francis (DIN 00382797) was appointed by the Board as Additional Director of the Company with effect from 14th November, 2017. As per Section 161 (1) of the Companies Act, 2013 (the Act), Mr. Paul Francis (DIN 00382797) will hold the office of directorship only up to the date of the next annual general meeting of the Company, but is eligible for appointment as a director at that meeting subject to the provisions of the Act.

Mr. Paul Francis (DIN 00382797), aged 50, son of Late K.L. Francis (who was Founder Managing Director of KSE Limited), after completing his higher secondary education, was involved in the family businesses and is now taking the leading role in the KLF Group of concerns. He is the Managing Director of KLF Nirmal Industries Limited, a successful Company having bagged many Export Awards with an annual turnover of around ₹ 200 Crores, which is mainly engaged in expelling of oil from Copra Cake and marketing of coconut oil in India and abroad. Mr. Paul Francis also has secured the "Best Young Entrepreneur of the year Award from Chamber of Commerce, Thrissur and the "Karshaka Mithram Award" from Rashra Deepika Ltd.

In accordance with the provisions of Section 160 of the Act, the Company has received a notice in writing from a member signifying his intention to propose the candidature of Mr. Paul Francis (DIN 00382797) to the office of director of the Company.

In the opinion of the Board, Mr. Paul Francis (DIN 00382797) fulfils the conditions for his appointment as a Director as specified in the Companies Act, 2013.

This statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further information about Mr. Paul Francis (DIN 00382797), in accordance with the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached.

Mr. Paul Francis (DIN 00382797) is interested in the resolution. None of the other Directors and Key Managerial Personnel and their relatives of the Company is concerned or interested, financial or otherwise, in the above resolution. The Board of Directors recommends the resolution for adoption.

Item 9 - Appointment of Dr. Pyarelal K.C. (DIN 00923913) as a Director

Dr. K.C. Vijayaraghavan, while he was a Director in the Board of the Company, has expired on 19th April, 2018. The Board wishes to fill up the vacancy in the Board by appointing a suitable person as a Director in the ensuing Annual General Meeting. Board has received a proposal from a member that Dr. Pyarelal K.C. (DIN 00923913) be nominated for the post of Directorship in the ensuing Annual General Meeting. Upon the recommendation of the Nomination and Remuneration Committee, the Board, in their meeting held on 30th May, 2018, has decided to recommend to the members the candidature of Dr. Pyarelal K.C. (DIN 00923913) for the directorship of the Company.

Dr. Pyarelal K.C. (DIN 00923913), aged 52, son of Late K. S. Chathunny (who was a leading businessman of Thrissur and was also a Director of KSE Limited for many years until his death in 1990), has taken his M.D. (Radio-Diagnosis) from Kasturba Medical College, Manipal and is currently the Head of Department of Radiology at Elite Mission Hospital, Thrissur, in which he is also a Partner. He had active roles in organizing many conferences and symposiums during his professional career in Radio-diagnosis. Dr. Pyarelal has presented lectures in many seminars and conferences on Radiology and he was a Guide and teacher for Post Graduate Medical students and also was teacher for B.Sc. Radiography students of Calicut and M.G. Universities of Kerala. He had held the positions of President and Secretary in the Kerala branch of Indian Radiological and Imaging Association. Being a sports enthusiast he was the President of Kinattingal Trichur Tennis Trust.

In accordance with the provisions of Section 160 of the Act, the Company has received a notice in writing from a member signifying his intention to propose the candidature of Dr. Pyarelal K.C. (DIN 00923913) to the office of director of the Company.

In the opinion of the Board, Dr. Pyarelal K.C. (DIN 00923913) fulfils the conditions for his appointment as a Director as specified in the Companies Act, 2013.

This statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further information about Dr. Pyarelal K.C. (DIN 00923913), in accordance with the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached.

None of the Directors and Key Managerial Personnel and their relatives of the Company is concerned or interested, financial or otherwise, in the above resolution. The Board of Directors recommends the resolution for adoption.

Item 10 - Appointment of Ms. Danesa (DIN 07975553) as a Director

Mr. Ragulal T.R. resigned from the directorship of the Company due to his inability to attend the meetings of the Board and Committees, due to ill-health and his resignation was accepted by the Board in its meeting held on 30th May, 2018. The Board wishes to fill up the vacancy in the Board by appointing a suitable person as a Director in the ensuing Annual General Meeting. Board has received a proposal from a member that Ms. Danesa (DIN 07975553) be nominated for the post of Directorship in the ensuing Annual General Meeting. Upon the recommendation of the Nomination and Remuneration Committee, the Board, at their meeting held on 30th May, 2018, has decided to recommend to the members the candidature of Ms. Danesa (DIN 07975553) for the directorship of the Company.

Ms. Danesa (DIN 07975553) hails from a business family based at Thrissur, with a string of academic excellence and professional achievements including working in the startup space. She has done her Bachelors of Science in Entrepreneurship and Strategic Management from Babson College, Boston, USA - ranked #1 for entrepreneurship globally, and achieved the Dean's List. She was honoured as a part of the Omicron Delta Epsilon (an international honor society in the field of economics) in the Tau Chapter Massachusetts in recognition of high scholastic achievement in the field of Economics. She has worked in Data Analytics at EXL focusing on marketing and non-profit data analytics, during which she published the article "3 ways in which donor data helps non profits raise more funds". She had also worked in a group of consultants as an operations lean management consultant for Legal Sea Foods – one of the largest fine restaurant chains with over 40 restaurants in America. As part of her curriculum, she has been a part of the founder group of two startups – out of which one is retailing of organic honey involving from managing the honey bee farms to retailing of packaged branded organic honey, the other being, a nonprofit events firm which focused on bringing successful entrepreneurs with a unique journey to Universities.

In accordance with the provisions of Section 160 of the Act, the Company has received a notice in writing from a member signifying her intention to propose the candidature of Ms. Danesa (DIN 07975553) to the office of director of the Company.

In the opinion of the Board, Ms. Danesa (DIN 07975553) fulfils the conditions for her appointment as a Director as specified in the Companies Act, 2013.

This statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further information about Ms. Danesa (DIN 07975553), in accordance with the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached.

None of the Directors and Key Managerial Personnel and their relatives of the Company is concerned or interested, financial or otherwise, in the above resolution. The Board of Directors recommends the resolution for adoption.

Item 11 & 12 - Appointment of Mr. A.P. George (DIN 00106808) as Managing Director

On the recommendation of the Nomination and Remuneration Committee, Board of Directors of the Company, in their meeting held on 22nd September, 2015, appointed Mr. A.P. George (DIN 00106808) as Executive Director of the Company for a period of three years from 1st October, 2015 on a remuneration with salary at ₹ 1,30,000 per month in the scale of ₹ 1,30,000 - 6,000 - 1,42,000 along with bonus, other perquisites and allowances, which was subsequently approved by the members in the Annual General Meeting held on 31st August, 2016. Considering the general increase in remuneration across the industry and on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 12th January, 2017 decided to enhance his remuneration with salary at ₹ 1,80,000 per month along with bonus, other perquisites and allowances from 1st January, 2017 till the expiry of his present term of appointment, that is up to 30th September, 2018, which was approved by the Members in the Annual General Meeting held on 31st August, 2017. On expiry of the term of appointment of Mr. M.C. Paul (DIN 00105776) as Managing Director on 22nd October, 2017, the post of Managing Director became vacant and thereupon, on the recommendation of Nomination and Remuneration Committee, the Board, in its meeting held on 14th November, 2017, has decided, subject to approval of the members in the ensuing Annual General Meeting, to elevate the Executive Director, Mr. A.P. George (DIN 00106808), as Managing Director of the Company, for the remaining period of his current appointment, that is, from 14th November, 2017 to 30th September, 2018 on a remuneration with salary at ₹ 2,30,000 per month plus bonus and other perquisites as specified in the resolution No. 11.

The current term of appointment of Mr. A.P. George (DIN 00106808), as Managing Director will expire on 30th September, 2018. Upon the recommendation of the Nomination and Remuneration Committee, the Board, in their meeting held on 30th May, 2018, subject to approval of the Shareholders in the ensuing Annual General Meeting, has decided to appoint Mr. A.P. George (DIN 00106808) for a further period of three years from 1st October, 2018 to 30th September, 2021 on a remuneration with a salary of ₹ 2,80,000 per month with annual increment in the scale of ₹ 2,80,000 - 10,000 - 3,00,000 along with bonus, other perquisites and allowances as mentioned in the Resolution No. 12.

Since Mr. A.P. George has crossed the age of seventy, as per the provisions of Schedule V to the Companies Act, 2013, the consent of the members in the general meeting, in respect of Resolutions No. 11 and 12, shall be by way of Special Resolution. In order to tap the immense experience he has gathered by the long association with the Company from the very inception, and since he is very healthy and fit for attending to the day to day affairs of the Company, the Board confirms that the motion for the approval of appointment and reappointment of Mr. A.P. George (DIN 00106808) by the members, as per Resolutions No. 11 and 12, is fully justified.

Mr. A.P. George (DIN 00106808) is a promoter director of the Company effective from 25.09.1963 and was acting as Director and Legal Advisor of the Company from 1.11.1994. He was also Chairman of Stakeholders Relationship Committee from 28.09.2002 till 22.09.2015 and thereafter continued as a member of the said Committee till 13.11.2017. From 14.11.2017 he is a member in the Corporate Social Responsibility Committee. He was Senior Advocate of Irinjalakuda Bar, before he joined as Executive Director of the Company. He was also Chairman of Irinjalakuda Municipality for over seven years. He is also having rich experience in oil milling through his family business.

Mr. A.P. George (DIN 00106808) satisfies the conditions laid down in Schedule V to the Companies Act, 2013 as also conditions set out under Sub-section 3 of Section 196 of the Act for being eligible for his appointment and continuance as Managing Director of the Company. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

This statement may also be regarded as a disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further information about Mr. A.P. George (DIN 00106808), in accordance with the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached.

None of the Directors and Key Managerial Personnel and their relatives of the Company, except Mr. A.P. George, to the extent of remuneration payable to him, is concerned or interested, financial or otherwise, in the Resolutions No. 11 and 12.

The Board of Directors recommends for the approval of the shareholders of the Company, the Resolution No. 11 for the appointment of Mr. A.P. George (DIN 00106808) as Managing Director, and the Resolution No. 12 for his reappointment, by special resolution.

As required under the provisions of Schedule V to the Companies Act, 2013, the following information is provided.

I	GENERAL INFORMATION		
1	Nature of Business	KSE Limited is engaged in the manufacture of compound cattle feed, extraction of oil from copra cake by solvent extraction process and refining the same to edible grade and in dairying including ice cream.	
2.	Date of commencement of commercial production	The Company was incorporated on 25.09.1963 and the commercial production was started in April, 1972.	
3.	In case of new companies, expected date of commencement of activities	Not Applicable	
4.	Financial Performance	Particulars of 2017-18	₹ in Lakhs
		Total Revenue – Revenue from operations and Other Income	1,30,936.40
		Profit Before tax	10,865.04
		Tax Expense	3,902.33
		Total comprehensive income (net of tax)	6,874.31
		Net worth	14,379.14
5.	Foreign investments or collaborations	Nil	
II	INFORMATION ABOUT APPOINTEE		
1.	Back Ground Details	As narrated above	
2.	Past Remuneration	For financial year 2017-18 - ₹ 33.01 lakhs.	
3.	Recognition or awards	He is not a recipient of any awards at personal level. However, he had received several awards on behalf of the Company at various occasions.	
4.	Job Profile and his suitability	Overall management of the Company. Given his experience, his appointment and remuneration is considered well suited for the position.	
5.	Remuneration proposed	As specified in the Resolution.	
6.	Comparative remuneration profile with respect to the industry	The proposed remuneration is commensurate with the responsibilities of the appointee and is in line with the remuneration practices in Feed Industry.	
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:	He is not related to any other Director or Key Managerial Personnel of the Company. He does not have any pecuniary relationship, directly or indirectly with the Company, apart from his remuneration as Executive Director and his rights as a Shareholder. Further, the details of certain arm's length transactions with the Company are furnished in Note 33.10 to the financial statements for the year ended 31 st March 2018, while disclosing related party transactions in accordance with Ind AS 24, which are outside the ambit of Section 188 of the Companies Act, 2013.	
III	OTHER INFORMATION		
1.	Reasons of loss or inadequate profits	Not applicable, as the Company has earned a total comprehensive income (net of tax) of ₹ 6,874.31 Lakhs during the year ended 31 st March, 2018.	
2.	Steps taken or proposed to be taken for improvement	Not Applicable	
3.	Expected increase in productivity and profits in measurable terms	Not Applicable	

Item 13 - Appointment of Mr. M.P. Jackson (DIN 01889504) as Executive Director

After the retirement of Mr. M.C. Paul (DIN 00105776) as Managing Director of the Company on 22nd October, 2017 followed with his resignation from the Board, on the recommendation of the Nomination and Remuneration Committee, Mr. M.P. Jackson (DIN 01889504) was appointed by the Board as Additional Director of the Company with effect from 14th November, 2017. As per Section 161 (1) of the Companies Act, 2013 (the Act), Mr. M. P. Jackson (DIN 01889504) will hold the office of directorship only up to the date of the ensuing annual general meeting of the Company, and the Resolution for regularising his appointment is separately placed before the members as Resolution No. 7 for their approval. Later on, as per the recommendation of the Nomination and Remuneration Committee, the Board, in their meeting held on 12th February, 2018 has decided to appoint Mr. M.P. Jackson (DIN 01889504) as Executive Director of the Company, subject to the approval of the members in the ensuing Annual General Meeting, for a period of three years from 12th February, 2018 to 11th February, 2021, on a remuneration with salary at ₹ 1,50,000 per month with annual increment in the scale of ₹ 1,50,000 - 7,500 - 1,65,000 along with bonus, other perquisites and allowances, as specified in the Resolution No. 13.

Mr. M. P. Jackson (DIN 01889504), aged 65, son of Late M.C. Paul, after completing his BSc. (Physics) course, has involved in the family businesses and is now heading the MCP Group of concerns. He was Chairman of Irinjalakuda Municipality for two terms spanning over a period of nearly seven years. He is also Chairman of Irinjalakuda Town Co-operative Bank and President of Irinjalakuda Co-operative Hospital. He is actively involved in many social, cultural, political and developmental activities in and around Irinjalakuda for over three decades.

Mr. M. P. Jackson (DIN 01889504) satisfies the conditions laid down in Schedule V to the Companies Act, 2013 as also conditions set out under Sub-section 3 of Section 196 of the Act for being eligible for his continuance as Executive Director of the Company. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

This statement may also be regarded as a disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further information about Mr. M. P. Jackson (DIN 01889504), in accordance with the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached.

None of the Directors and Key Managerial Personnel and their relatives of the Company, except Mr. M. P. Jackson (DIN 01889504) to the extent of remuneration payable to him, is concerned or interested, financial or otherwise, in the above resolution.

The Board of Directors recommends the resolution in relation to the appointment of Mr. M. P. Jackson (DIN 01889504) as Executive Director, for the approval of the shareholders of the Company.

As required under the provisions of Schedule V to the Companies Act, 2013, the following information is provided.

I	GENERAL INFORMATION		
1	Nature of Business	KSE Limited is engaged in the manufacture of compound cattle feed, extraction of oil from copra cake by solvent extraction process and refining the same to edible grade and in dairying including ice cream.	
2.	Date of commencement of commercial production	The Company was incorporated on 25.09.1963 and the commercial production was started in April, 1972.	
3.	In case of new companies, expected date of commencement of activities	Not Applicable	
4.	Financial Performance	Particulars of 2017-18	₹ in Lakhs
		Total Revenue – Revenue from operations and Other Income	1,30,936.40
		Profit Before tax	10,865.04
		Tax Expense	3,902.33
		Total comprehensive income (net of tax)	6,874.31
		Net worth	14,379.14
5.	Foreign investments or collaborations	Nil	
II	INFORMATION ABOUT APPOINTEE		
1.	Back Ground Details	As narrated above	
2.	Past Remuneration	For financial year 2017-18 - ₹ 3.18 lakhs (from 12-02-2018)	

3.	Recognition or awards	He had received FCBA Awards for the years 2014 to 2017, on behalf of Irinjalakuda Cooperative Bank Ltd., as Chairman thereof. He has received the Indian Organization for Commerce & Industry – Excellence Award for Individual contribution for National, Economic & Social Development -2016.
4.	Job Profile and his suitability	Overall management of the Company, subject to the direction and control of the Managing Director. Given his experience, his appointment and remuneration is considered well suited for the position.
5.	Remuneration proposed	As specified in the Resolution.
6.	Comparative remuneration profile with respect to the industry	The proposed remuneration is commensurate with the responsibilities of the appointee and is in line with the remuneration practices in Feed Industry.
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:	He is not related to any other Director or Key Managerial Personnel of the Company. He does not have any pecuniary relationship, directly or indirectly with the Company, apart from his remuneration as Executive Director and his rights as a Shareholder. Further, the details of certain arm's length transactions with the Company are furnished in Note 33.10 to the financial statements for the year ended 31 st March 2018, while disclosing related party transactions in accordance with Ind AS 24, which are outside the ambit of Section 188 of the Companies Act, 2013.
III	OTHER INFORMATION	
1.	Reasons of loss or inadequate profits	Not applicable, as the Company has earned a total comprehensive income (net of tax) of ₹ 6,874.31 Lakhs during the year ended 31 st March, 2018.
2.	Steps taken or proposed to be taken for improvement	Not Applicable
3.	Expected increase in productivity and profits in measurable terms	Not Applicable

Item 14 - Posthumous retirement benefits to Late M.C. Paul (DIN 00105776)

The Board, in their meeting held on 23rd October, 2017, has decided, subject to approval of members in the ensuing annual general meeting, to pay leave salary to Mr. M.C. Paul (DIN 00105776), equivalent to his three month's last drawn salary, amounting to ₹ 7.50 lakhs and also to hand over the Company's car used by him for official purposes, in consideration and as a token of appreciation of the Company for his valuable services. While awaiting for the approval of the members in the ensuing annual general meeting, Mr. M.C. Paul (DIN 00105776) expired on 13th February, 2018. Thereupon, the Board, in their meeting held on 30th May, 2018, has decided that the leave salary of ₹ 7.50 lakhs and the Benz Car may be handed over to his wife Mrs. Annie Paul, after obtaining the approval of members in the ensuing annual general meeting.

The Benz Car with Registration No. KL-45M-2340, used by Mr. M.C. Paul (DIN 00105776) for official purposes was purchased on 03.07.2015 for ₹ 71,29,717 and its written down value as on 30th May, 2018 is ₹ 24,55,841.

Mr. M.C. Paul (DIN 00105776) was a Promoter Director and was actively associated with the development of the Company from its inception. He was appointed as Whole-time Director with effect from 23-10-1976 and later on as Executive Director with effect from 23-10-1977. He was further appointed as Managing Director of the Company with effect from 01-11-1994 and he continued in that post until he retired on 22-10-2017. During his tenure as Managing Director, the business of the Company grew substantially registering steady growth in terms of turnover, profits and reserves. The Company had also won the National Productivity Award consecutively for ten years from 1996-97 to 2005-06 for the best productivity performance in the category of Animal Feed Processing Industry, and the award was not announced thereafter.

Irinjalakuda
30-05-2018

REGISTERED OFFICE
Solvent Road, Irinjalakuda – 680121
Thrissur – KERALA.

By Order of the Board
For KSE Limited

Sd/-
R. Sankaranarayanan
Chief Financial Officer and
Company Secretary

Details of Directors Seeking Appointment/Re-appointment at the Annual General Meeting

Resolution No.	Item 3	Item 4	Item 7 & 13	Item 11 & 12
Name of Directors	Mr. P.D. Anto (DIN: 00106965)	Mrs. Marykutty Varghese (DIN: 07307987)	Mr. M.P. Jackson (DIN: 01889504)	Mr. A.P. George (DIN: 00106808)
Date of Birth	05/05/1950	10/11/1953	19/11/1952	19/10/1935
Date of Appointment	29/03/1989	01/10/2015	14/11/2017	25/09/1963
Qualification	SSLC	PDC	B. Sc. (Physics) appeared	B.A., B.L.
Experience	Hails from a respectable business family of Irinjalakuda, engaged mainly in oil milling. He is having immense experience in oil milling. He joined as a Director of the Company effective from 29.03.1989. He is also acting as a member of the Stakeholders' Relationship Committee of the Company with effect from 28.09.2002 and as Chairman of the said Committee from 22.09.2015. He is also a member of Nomination and Remuneration Committee with effect from 1 st September, 2007.	She has married to a respectable business family of Irinjalakuda engaged primarily in oil mill industry. She has been appointed as a Director of the Board from 01.10.2015 and nominated to the Stakeholder's Relationship Committee of the Company by the Board with effect from that date.	Mr. M. P. Jackson son of Late M.C. Paul, after completing his BSc. (Physics) course, has involved in the family businesses and is now heading the MCP Group of concerns. He was Chairman of Irinjalakuda Municipality for two terms spanning over a period of nearly seven years. He is also Chairman of Irinjalakuda Town Co-operative Bank and President of Irinjalakuda Co-operative Hospital. He is actively involved in many social, cultural, political and developmental activities in and around Irinjalakuda for over three decades.	He is a promoter director of the Company effective from 25.09.1963 and was acting as Director and Legal Advisor of the Company from 1.11.1994. He was Senior Advocate of Irinjalakuda Bar. He was also Chairman of Stakeholders Relationship Committee of the Company from 28.09.2002 to 22.09.2015 and thereafter upto 13-11-2017 he continued as a member of the said Committee. He is a member of the CSR Committee from 14-11-2017. He was also Chairman of Irinjalakuda Municipality for over seven years. He is also having rich experience in oil milling through his family business.
Directorships held in other Public Limited companies	Nil	Nil	Nil	Director in Catholic Union Chitties Ltd. (CIN: U65992KL1929PLC000191)
Memberships / Chairmanships of committees of other Public Limited companies	Nil	Nil	Nil	Nil
Number of shares held in the Company as on 31.03.2018	10,300	10,098	6,600	49,954

Details of Directors Seeking Appointment/Re-appointment at the Annual General Meeting

Resolution No.	Item 8	Item 9	Item 10
Name of Directors	Mr. Paul Francis (DIN: 00382797)	Dr. Pyarelal K.C. (DIN: 00923913)	Ms. Danesa (DIN: 07975553)
Date of Birth	30/01/1968	16/04/1966	08/08/1994
Date of Appointment	14/11/2017	Proposal for his appointment as director placed before the members in the AGM	Proposal for her appointment as director placed before the members in the AGM
Qualification	HSE	M.D. (Radio-Diagnosis)	B. Sc.
Experience	Mr. Paul Francis is son of Late K.L. Francis, who was Founder Managing Director of KSE Limited. After completing his higher secondary education, he was involved in the family businesses and is now taking the leading role in the KLF Group of concerns. He is the Managing Director of KLF Nirmal Industries Limited, a successful Company having bagged many Export Awards with an annual turnover of around ₹ 200 Crores, which is mainly engaged in expelling of oil from Copra Cake and marketing of coconut oil in India and abroad. Mr. Paul Francis also has secured the "Best Young Entrepreneur of the year Award" from Chamber of Commerce, Thrissur and the "Karshaka Mithram Award" from Rashra Deepika Ltd.	He is son of Late K. S. Chathunni who was a leading businessman of Thrissur and was also a Director of KSE Limited for many years until his death in 1990. He has taken his M.D. (Radio-Diagnosis) from Kasturba Medical College, Manipal and is currently the Head of Department of Radiology at Elite Mission Hospital, in which he is also a Partner. He had active roles in organizing many conferences and symposiums during his professional career in Radio-diagnosis. He had held the positions of President and Secretary in the Kerala branch of Indian Radiological and Imaging Association. Being a sports enthusiast he was the President of Kinattingal Trichur Tennis Trust.	She hails from a business family based at Thrissur, with a string of academic excellence and professional achievements including working in the startup space. She has done her Bachelors of Science in Entrepreneurship and Strategic Management from Babson College, Boston - ranked #1 for entrepreneurship globally with having achieved the Dean's List.
Directorships held in other Public Limited companies	Nil	Nil	Nil
Memberships / Chairmanships of committees of other Public Limited companies	Nil	Nil	Nil
Number of shares held in the Company as on 31.03.2018	23,600	22,512	Nil

MAP SHOWING THE LOCATION OF THE VENUE OF 54th ANNUAL GENERAL MEETING OF KSE LIMITED ON 31st AUGUST, 2018



Land Mark: Near KS Park
Distance from Irinjalakuda Municipal Bus Stand : 1.50 km.

BOARD'S REPORT

Your Directors are pleased to present the 54th Annual Report and the audited accounts for the financial year ended 31st March 2018.

Financial Highlights

	Year ended 31.03.2018 ₹ in lakhs	Year ended 31.03.2017 ₹ in lakhs
Revenue from Operations	1,30,417.33	1,04,724.53
Earnings Before Taxes, Finance Costs, Depreciation and Amortization	11,337.22	3,118.00
Less : Finance Costs	119.91	201.53
Less : Depreciation and Amortisation expense	352.27	328.06
Profit Before Exceptional Item and Tax	10,865.04	2,588.41
Exceptional Item	—	—
Profit Before Tax	10,865.04	2,588.41
Less : Tax Expense	3,902.33	952.39
Profit After Tax	6,962.71	1,636.02
Other Comprehensive Income (net of tax)	(88.40)	(88.64)
Total Comprehensive Income	6,874.31	1,547.38
Opening balance in Retained Earnings	2,141.87	1,564.78
AMOUNT AVAILABLE FOR APPROPRIATION	9,016.18	3,112.16
Dividend distributed during the year - Final	960.00	640.00
Dividend Distribution Tax on above	195.43	130.29
Transfer to General Reserve	2,500.00	200.00
Closing Balance in Retained Earnings	5,360.75	2,141.87

Dividend

Your Directors recommend a dividend of 600 % (₹ 60.00 per share of ₹ 10 each) for the year ended 31st March, 2018, out of the profits of the Company for the year ended 31st March, 2018, absorbing a total amount of ₹ 23,14,66,164 (including dividend distribution tax and cess thereon). The dividend of ₹ 60 per equity share of ₹ 10 each as recommended by the Board of Directors of the Company at their meeting held on 30th May, 2018, if approved at the ensuing annual general meeting, will be paid to those shareholders, whose names appear in the Company's register of members as on 31st August, 2018. In respect of equity shares held in dematerialised form, the dividend will be paid to those beneficial owners of the equity shares as at the end of business hours on 24th August, 2018 as per the details furnished by the depositories for this purpose."

The dividend payout for the year 2017-18 has been decided in accordance with the Company's policy to pay sustainable dividend linked to long term growth objectives of the Company to be met out of internal cash accruals.

Unpaid Dividend

Pursuant to Section 124 and 125 of Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividend up to and including for the financial year 2009-10 on due date to the Investor Education and Protection Fund administered by the Central Government.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on August 31, 2017 (date of last Annual General Meeting) on the website of the Company (<http://www.kselimited.com/investordetails.aspx>), as also on the website of the Ministry of Corporate Affairs.

We give below a table providing the dates of declaration of Dividend since 2010-11 and the corresponding dates when unclaimed dividends are due to be transferred to the Central Government.

Financial Year	Date of Declaration of Dividend	Last date for claiming unpaid dividend	Unclaimed amount as on 31 st March 2018	Due date for Transfer to Investor Education and Protection Fund
2010-11 (Final Dividend)	28 July, 2011	27 July, 2018	4,42,900	27 August, 2018
2011-12 (Final Dividend)	31 July, 2012	30 July, 2019	5,56,006	30 August, 2019
2012-13 (Final Dividend)	31 July, 2013	30 July, 2020	5,45,370	30 August, 2020
2013-14 (Final Dividend)	25 September, 2014	24 September, 2021	13,52,480	24 October, 2021
2014-15 (Interim Dividend)	12 February, 2015	11 February, 2022	6,50,600	14 March, 2022
2014-15 (Interim Dividend)	25 March, 2015	24 March, 2022	11,97,240	24 April, 2022
2014-15 (Final Dividend)	19 September, 2015	18 September, 2022	11,11,520	19 October, 2022
2015-16 (Final Dividend)	31 August, 2016	30 August, 2023	14,16,500	30 September, 2023
2016-17 (Final Dividend)	31 August, 2017	30 August, 2024	22,00,350	30 September, 2024

Transfer to Reserves

The Company proposes to transfer ₹ 2500 lakhs to the General Reserve out of amount available for appropriations and an amount of ₹ 5,360.75 lakhs is proposed to be retained as Surplus.

Operating Results and Business Operations

During the year ended 31st March, 2018, the Revenue from Operations for the year 2017-18 improved by 24.50 % to ₹ 1304 crores from ₹ 1047 crores. The over-all profit after tax improved to ₹ 69.63 crores in year 2017-18 compared to ₹ 16.36 crores in the previous year.

The year 2017-18 was the most favourable year in the history of the Company. All the factors controlling the margins of the Company was in favour of the Company for most part of the year. The cost of ingredients for the animal feed has declined considerably, compared to that in previous year, and remained steady for the major part of the year. The selling price of feed was reduced to ease the difficulty of the farmers, but still the feed division could generate ₹ 66.64 crores as divisional profit compared to previous year figure of ₹ 10.74 crores. The sales volume of feed also increased by 14.60 % on an year to year basis, from 4.65 lakhs tons to 5.33 lakhs tons.

In the cake processing division, the availability of local copra cake was highly limited as the yield of coconut has been highly affected in Kerala as well as in Tamil Nadu. Copra cake price went upto ₹ 29,500 per ton in January, 2018 in tune with the increase in the coconut oil price. We had to mainly depend on imports, as local arrivals were limited and we catered about 50% of our requirement from imports. The imported copra cake was cheaper throughout the year, compared to local cake. But the quality of imported cake is relatively inferior against the quality of local cake. The market price of coconut oil during 2017-18 gradually increased from around ₹ 120/kg. in the year beginning and went up to above ₹ 190/kg. in January, 2018 and then eased at around ₹ 180/kg. level. Along with the increase in the sales volume of animal feed, the quantity of cake processed in year 2017-18 also improved by 4.80 % from 92,273 tons in the previous year to 96,709 tons in the year under report. Thus, the cake processing division reported a profit of ₹ 38.84 crores for the year 2017 -18 compared to a profit of ₹ 15.81 crores in the previous year.

The volume of sales of ice cream also improved by 7.20 % to 1217 kl. in 2017-18 compared to 1135 kl. in the previous year, by effective marketing, even though the margins on ice cream were under strain. The sustained margin in milk sales helped to improve the profit of Dairy division to ₹ 197.51 lakhs compared to previous year profit of ₹ 83.07 lakhs. We are taking all efforts to improve the production and sale volume of ice cream.

In February, 2017 the Government of Kerala had revised the price of milk by 10 %. This has increased the purchasing power of our customers, who are rearing cattle, and in turn the cattle population in Kerala has increased as the industry became profitable. There is a slight tendency for the prices of raw materials to increase, even though the same remains more or less steady. We are having sustained demand for our cattle feed and are hopeful of suitable correction of selling price in tune with ingredient prices.

We do not expect further reduction in the cost of cattle feed ingredients in the immediate future. We firmly believe that the sales volume of cattle feed will further improve in the current financial year. With this expectation, we have added one more outsourced production facility at Kanjikode for meeting the increased demand of feed. One more feed plant is envisaged in Karnataka for meeting future demand and explore the Karnataka market. We expect to maintain our performance in Animal feed division, by optimising the feed formulation and making suitable adjustments in the selling prices to match the ingredient prices.

In the current year 2018-19 the availability of local copra cake is limited, though the price has eased a little bit due to reduced demand from other competitors. As such, we have to supplement with imported copra cake for meeting our requirements. The imports of copra cake is at present available in sufficient quantity at reasonable price. As such, we do not expect any shortage of supply of copra cake. The market price of coconut oil is around ₹ 180/kg. at present, which is encouraging. However, entry of coconut oils mixed with spurious cheaper oils may destroy the market for genuine coconut oil. The Government of Kerala is taking strict measures to stop such spurious oils entering the market. If the price of coconut oil continues at this level, we will be able to better our margins on cake processing and we can present in year 2018-19 a better performance in Cake Processing Division.

We are taking all steps to widen the market for ice cream by appointing new dealers in untapped areas to improve the volume of sales and thereby utilise more of the unused production capacity. We expect to improve the volume of sale of ice cream and thereby better the margins of Dairy division.

More information relating to the operations of the Company has been furnished in the Management Discussion and Analysis Report attached to and forming part of this Report as provided by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Awards and Recognitions

The Company has won the SEA Award constituted by Solvent Extractors' Association of India for highest processor of coconut oil cake for the year 2016-17. This Award is being received by the Company for the past 27 years consecutively since the inception of the award.

Number of meetings of the Board

Twelve meetings of the board were held during the year. For details of the meetings of the board, please refer to the corporate governance report, which forms part of this report.

Directors and Key Managerial Personnel

After the last year Board's Report, quite a few changes has happened in the Board of Directors. Mr. M.C. Paul retired as Managing Director on 22nd October, 2017 on completion of his term of appointment. His resignation from the Board was also accepted on 23rd October, 2017. Mr. M.C. Paul later passed away on 13th February, 2018. The resignation of Mr. John Francis from the Board was accepted on 23rd October, 2018. Mr. M.P. Jackson and Mr. Paul Francis joined the Board as Additional Directors in the Board meeting held on 14th November, 2017.

In the Board Meeting held on 14th November, 2017, Mr. A.P. George, who was Executive Director of the Company, was elevated as Managing Director of the Company for the remaining period of his appointment upto 30th September, 2018, subject to approval of shareholders at general meeting. Later, Mr. M.P. Jackson was appointed in the Board Meeting held on 12th February, 2018, as Executive Director of the Company, subject to approval of the shareholders at general meeting.

On 19th April, 2018 Dr. K.C. Vijayaraghavan, a member of the Board from year 1990 suddenly passed away. In the Board meeting held on 30th May, 2018 the resignation of Mr. T. R. Raghulal from the Board was accepted. In place of Dr. K.C. Vijayaraghavan, we are recommending the shareholders to appoint Dr. Pyarelal K.C. as a Director. In place of Mr. Raghulal T.R., the Board recommends to the shareholders to appoint Ms. Danesa Raghulal as a Director.

In accordance with Section 196, 197 and other applicable provisions of the Companies Act, 2013, three resolutions, seeking approval of the shareholders, on the following matters, have been incorporated in the Notice convening the forthcoming annual general meeting:

1. for the elevation and remuneration of the then Executive Director, Mr. A.P. George, as Managing Director of the Company, with effect from 14th November, 2017 and upto 30th September, 2018, the date of expiry of his current term of appointment.
2. for the reappointment and remuneration of Mr. A.P. George as Managing Director of the Company, for a period of three years from 1st October, 2018, since his current term of appointment expires on 30th September 2018.
3. for the appointment and remuneration of Mr. M.P. Jackson as Executive Director of the Company, for a period of three years, with effect from 12th February, 2018.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. P.D. Anto and Mrs. Marykutty Varghese will retire by rotation at the ensuing annual general meeting and being eligible, offer themselves for re-appointment.

In accordance with the provisions of the Companies Act, 2013 read with the Rules issued thereunder, the Listing Regulations and the Articles of Association of the Company, the Independent Directors, the Managing Director and Executive Director of the Company are not liable to retire by rotation.

The period of appointment of Mr. M.P. Jackson and Mr. Paul Francis as Additional Directors of the Company will expire on the date of ensuing Annual General Meeting and they are eligible for reappointment as Directors. In accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the Board of Directors recommend for the appointment of Mr. M.P. Jackson, Mr. Paul Francis, Dr. Pyarelal and Ms. Danesa Raghulal as Directors of the Company.

Dr. Jose Paul Thaliyath, Mr. Joseph Xavier, Mrs. Sathi A. Menon and Mr. Paul John were appointed as Independent Directors of the Company and they hold that office for a fixed term of five years up to 25.09.2019 and are not liable for retirement by rotation, as provided in Section 149 of the Companies Act, 2013. In accordance with Section 149 (7) of the Companies Act, 2013, the Company has received declarations from all the independent directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. A.P. George, Managing Director, Mr. M.P. Jackson, Executive Director and Mr. R. Sankaranarayanan, Chief Financial Officer and Company Secretary are the Key Managerial Personnel of your Company in accordance with the provisions of Sections 2(51) and 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Condolences

As mentioned above Mr. M.C. Paul, who was Managing Director of the Company up to 22nd October, 2017, has later passed away on 13th February, 2018. Mr. M.C. Paul was one of the Founder Director of the Company. He had, after putting in meritorious services to the Company as Whole-time Director and then as Executive Director, became the Managing Director of the Company. He served as Managing Director of the Company for a long innings for about 23 years. Under his able management, the activities of the Company have grown manifold both segmentally and geographically. We, the members of the Board, wish to place on record our profound grief and deep sense of sorrow at the sad demise of Shri M.C. Paul.

Dr. K.C. Vijayaraghavan, a member of the Board from year 1990, suddenly passed away on 19th April, 2018. He was closely associated with KSE Limited for about 28 years as Director of this Company, as member of Audit Committee from 28-09-2002 to 13-11-2017, as Chairman of CSR Committee from 06-10-2014 till his death. His active participation in the discussions and his learned and valuable advices have contributed much to the progress of the Company. We, the members of the Board, wish to place on record our profound grief and deep sense of sorrow at the sad demise of Dr. K.C. Vijayaraghavan.

Policy on directors' appointment and remuneration and other details

Remuneration policy in the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate employees to achieve results. The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Managing Director and the Executive Director. During the year 2017-18, the sitting fees payable to the non-executive directors has been enhanced with effect from 1st February, 2018 from ₹ 12,000 to ₹ 15,000 per meeting of the Board and from ₹ 7,000 to ₹ 10,000 per meeting of committees of the Board attended by them. The Nomination and Remuneration Policy for the Members of Board and Executive Management is attached to this report as "Annexure A" which forms part of the Board's Report.

Evaluation of Board, Committees and Individual Directors

The Company has devised a Policy for performance evaluation of Independent and other directors, Board as a whole and Committees thereof which include criteria for performance evaluation of the executive and non-executive directors. The Policy for evaluation of performance of the Board of Directors are attached to this report as "Annexure B" which forms part of the Board's Report.

In terms of provisions of the Companies Act, 2013 read with Rules issued thereunder and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have evaluated the effectiveness of the Board during the financial year ended 31st March, 2018. The evaluation was based on questionnaire and feedback from all the Directors on the Board as a whole, Committees and self-evaluation. Directors, who were designated, held separate discussions with each of the Directors of the Company and obtained their feedback on overall Board effectiveness as well as each of the other Directors. The evaluation of the Directors was based on various aspects which, inter alia, included the level of participation in the Board Meetings, understanding of their roles and responsibilities, business of the Company along with the environment and effectiveness of their contribution.

A separate meeting of the independent directors was convened, which reviewed the performance of the Board (as a whole), the non-independent directors and the Chairman.

Internal financial control systems and their adequacy

Adequate internal financial controls are in place with reference to the financial statements. Internal financial control systems of the Company have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable Accounting Standards. Such controls were tested annually and during the year no reportable material weakness in the design or operation were observed. The details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis, which forms part of this report.

Risk Management

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in its strategy, business and operational plans. The Board members are informed about the risk assessment and minimization procedures. The Board is responsible for framing, implementing and monitoring the risk management plan for the company. The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviours together govern the business of the Company and manage associated risks.

There are no risks which in the opinion of the Board threaten the existence of your Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Report.

Vigil Mechanism

Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. The Company is committed to developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct. Accordingly, the Board of Directors have formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy provides for a framework and process whereby concerns can be raised by its employees against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them. More details on the vigil mechanism and the Whistle Blower Policy of your Company have been outlined in the Corporate Governance Report which forms part of this report. The "KSEL Whistle Blower Policy and Vigil Mechanism" can be accessed on the Company's website at the link : <http://kselimited.com/whistleblower.aspx>.

Directors' Responsibility Statement

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

- (a) in the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;
- (b) the Directors 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 your Company as at 31st March, 2018 and of the profit of the Company for the financial year ended 31st March, 2018;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a 'going concern' basis;
- (e) proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

Corporate Governance

Corporate Governance Report, Management Discussion and Analysis Report and Certificate from Auditors on Corporate Governance have been furnished separately and form part of this report. The disclosures made in these reports may be considered as compliance of various disclosures prescribed under the Companies Act, 2013 and Rules made thereunder.

Corporate Social Responsibility

The Corporate Social Responsibility (CSR) Committee has been formed in conformity with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The composition, terms of reference and attendance details of the CSR Committee are incorporated in the Corporate Governance Report. The Annual Report on CSR activities for the year ended 31st March, 2018 is given separately as “Annexure C”, forming part of this Report.

Public Deposits

Your Company is accepting deposits as per the provisions of Sections 73 and 76 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014. The details relating to such deposits as provided under Rule 8 of the Companies (Accounts) Rules, 2014 are provided in “Annexure D”.

The Company is not accepting any other deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.

Particulars of loans, guarantees and Investments

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

Transactions with related parties

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. None of the transactions with related parties falls under the scope of Section 188(1) of the Act. Full disclosure of related party transactions as per Accounting Standard Ind AS 24 issued by the Institute of Chartered Accountants of India is given under Note No. 33.10 of Notes to the Annual Accounts.

The policy and procedures on related party transaction as approved by the Board may be accessed on the Company's website at the link: <http://kselimited.com/transactionpolicy.aspx>. Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in “Annexure E” in Form AOC-2 and the same forms part of this report.

Extract of annual return

As provided under Section 92(3) of the Act, the extract of annual return is given in “Annexure F” in the prescribed Form MGT-9, which forms part of this report.

Statutory Auditors

In accordance with the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, in the 53rd Annual General Meeting (AGM) held on 31st August, 2017, M/s. S. S. AYYAR & Co., Chartered Accountants (ICAI Firm Registration No. 050012S) were appointed as statutory auditors of the Company, in place of retiring auditors M/s. Varma & Varma, Chartered Accountants (ICAI Firm Registration No. 004532 S), to hold office from the conclusion of the 53rd AGM until the conclusion of the 58th AGM to be held in the year 2022. M/s. S. S. AYYAR & Co., (ICAI Firm Registration No. 050012S) has confirmed their eligibility and qualification required under Section 139, 141 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder.

The Auditors' Report for the financial year 2017-18 on the financial statements of the Company is part of this Annual Report. The Auditors' Report for the year ended 31st March, 2018 does not contain any qualification, reservation or adverse remark.

Cost Auditors

With the prior approval of Central Government, M/s. A. R. Narayanan & Co., Cost Accountants, Ernakulam (firm registration number 101421) have been appointed as Cost Auditors for the financial year 2017-18 and they will be submitting their Cost Audit Report within the time limit stipulated. The Board of Directors of the Company, on the recommendations made by the Audit Committee, has appointed M/s. A. R. Narayanan & Co., Cost Accountants, Ernakulam (firm registration number 101421) as the Cost Auditor of the Company to conduct the audit of cost records for the financial year 2018-19. The Remuneration proposed to be paid to the Cost Auditor, subject to ratification by shareholders of the Company at the ensuing 54th Annual General Meeting, has been fixed at ₹ 2,00,000 excluding taxes and out of pocket expenses. The Company has received consent from M/s. A. R. Narayanan & Co., Cost Accountants, to act as the Cost Auditor for conducting audit of the cost records for the financial year 2018-19, along with certificate confirming their independence and arm's length relationship.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed CS. Sathish V., Practicing Company Secretary to conduct the Secretarial Audit of your Company for the financial year ended 31st March, 2018. The Secretarial Audit Report for the financial year ended 31st March, 2018 is annexed herewith as “Annexure G” to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace. During the financial year 2017-18, the Company has not received any complaints on sexual harassment and no complaints remain pending as of 31st March, 2018.

Disclosure relating to Remuneration of Directors, Key Managerial Personnel and particulars of employees

The information required under Section 197 of the Companies Act, 2013 and rules made there-under, in respect of employees of the Company, is provided in “Annexure H” forming part of this report. None of the employees are in receipt of remuneration in excess of the limits specified under clause (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars as prescribed under Rule 8(3) of the Companies (Accounts) Rules, 2014, are set out in “Annexure I” to this Report.

Capital Expenditure

A memorandum of understanding has been arrived at to purchase land and buildings of an existing industrial unit at Nanjangud near Mysore, which if materialised, will likely to be used for production of cattle feed and thus cater to the northern districts of Kerala and also expand the market for our feed in Karnataka.

Other Disclosures

No disclosure is made in respect of the following items as there were no events during the year calling for reporting on these items:

1. There was no issue of equity shares with differential rights as to dividend, voting or otherwise.
2. There was no issue of shares (including sweat equity shares and ESOP) to employees of the Company under any scheme.
3. Your Company do not have any subsidiary, associate, joint venture company or holding company and disclosures required in that respect were not dealt with.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
5. No frauds have been reported by auditors to the Audit Committee or Board under Sub-section (12) of Section 143 of the Companies Act, 2013.
6. There are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year under report and the date of this report.

Acknowledgement

Your Directors wish to place on record their sincere appreciation for the assistance and co-operation received from shareholders, bankers, especially ICICI Bank, Registrars and Share Transfer Agents, customers, distributors and suppliers. Board also acknowledge the valuable committed services of the executives, staff and workers of the Company.

Irinjalakuda
May 30, 2018

By Order of the Board
Sd/-

Dr. Jose Paul Thaliyath
(DIN : 01773031)
Chairman

“ANNEXURE A” TO BOARD’S REPORT

NOMINATION AND REMUNERATION POLICY FOR THE MEMBERS OF BOARD AND EXECUTIVE MANAGEMENT

(As approved by the Board of Directors in their meeting held on 12th February, 2015)

1. Preamble

- 1.1 The Remuneration Policy of KSE Limited (the “Company”) is designed to attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and teamwork, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages and superannuation benefits. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.
- 1.2 The remuneration policy provides a framework for remuneration paid to the members of the Board of Directors (“Board”), Key Managerial Personnel (“KMP”) and the Senior Management Personnel (“SMP”) of the Company (collectively referred to as “Executives”).

2. Definitions

- 2.1 Key Managerial Personnel: Key Managerial Personnel means—
 - (i) Chief Executive Officer or the Managing Director or the manager;
 - (ii) Company Secretary,
 - (iii) Whole-time Director;
 - (iv) Chief Financial Officer; and
 - (v) Such other officer as may be prescribed under the Companies Act, 2013
- 2.2 Senior Management : The expression “senior management” means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

3. Objectives

- 3.1 The main objective of this Policy is constitution of the Nomination and Remuneration Committee and align its functions in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement.
- 3.2 The Key Objectives of the Committee would be:
 - 3.2.1 To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
 - 3.2.2 To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
 - 3.2.3 To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 3.3 Key Objectives of the Policy would be
 - 3.3.1 The remuneration policy aims to enable the company to attract, retain and motivate highly qualified members for the Board and Executive level.
 - 3.3.2 The remuneration policy seeks to enable the company to provide a balanced and performance-related compensation package, taking into account interests of shareholders, industry standards and relevant Indian corporate regulations.
 - 3.3.3 The remuneration policy will ensure that the interests of Board members and Executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the company and will be consistent with the “pay-for-performance” principle.
 - 3.3.4 The remuneration policy will ensure that remuneration to Directors and Executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

4. Principles of remuneration

- 4.1 Support for Strategic Objectives: Remuneration and reward frameworks and decisions shall be designed in a manner that is consistent with, supports and reinforces the achievement of the Company’s vision and strategy.
- 4.2 Transparency: The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.

- 4.3 Internal equity: The Company shall remunerate the board members and the Executives in terms of their roles within the organisation. Positions shall be formally evaluated to determine their relative status in relation to other positions within the Company.
- 4.4 External equity: The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore the Company will remain logically mindful of the ongoing need to attract and retain high quality people and the influence of external remuneration pressures.
- 4.5 Flexibility: Remuneration and reward offerings shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other legislation.
- 4.6 Affordability and Sustainability: The Company shall ensure that remuneration is affordable on a sustainable basis.

5. **Nomination and Remuneration Committee**

- 5.1 The Remuneration Committee of the Board of Directors shall be re-named as Nomination and Remuneration Committee. Members of the Committee shall be appointed by the Board and shall comprise of three or more non-executive directors out of which not less than one-half shall be independent directors.
- 5.2 The Committee shall be responsible for
 - 5.2.1 Formulating framework and/or policy for remuneration, terms of employment including service contracts, policy for and scope of pension arrangements, etc. for Executives and reviewing it on a periodic basis;
 - 5.2.2 Formulating criteria for evaluation of Independent Directors and the Board.
 - 5.2.3 Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Director.
 - 5.2.4 Identifying persons who are qualified to become directors and who may be appointed as Executives in accordance with the criteria laid down in this policy, recommend to the Board their appointment and removal and carry out their evaluation.
 - 5.2.5 Formulating terms for cessation of employment and ensure that any payments made are fair to the individual and the company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
- 5.3 The Committee shall:
 - 5.3.1 Review the ongoing appropriateness and relevance of the remuneration policy;
 - 5.3.2 Ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled;
 - 5.3.3 Obtain reliable, up-to-date information about remuneration in other companies;
 - 5.3.4 Ensure that no director or Executive is involved in any decisions as to their own remuneration.

6. **Selection and appointment of the Board Members**

The Committee shall follow the criteria for membership in the Board

- 6.1 The Committee, along with the Board, reviews on an annual basis, appropriate skills, characteristics and experience required for the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's operations.
- 6.2 In evaluating the suitability of individual Board members, the Committee takes into account many factors, including general understanding of the Company's business dynamics and social perspective, educational and professional background and personal achievements.
- 6.3 In addition, Directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.
- 6.4 The Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business.

7. **Procedure for selection and appointment of Executives other than Board Members**

- 7.1 The Committee shall actively liaise with the relevant departments of the Company to study the requirement for management personnel, and produce a written document thereon;
- 7.2 The Committee may conduct a wide-ranging search for candidates for the positions of Employees within the Company, and on the human resources market;

- 7.3 The professional, academic qualifications, professional titles, detailed work experience and all concurrently held positions of the initial candidates shall be compiled as a written document;
- 7.4 A meeting of the Committee shall be convened, and the qualifications of the initial candidates shall be examined on the basis of the conditions for appointment of the Employees;
- 7.5 Before the selection of Employee, the recommendations of and relevant information on the relevant candidate(s) shall be submitted to the Management Committee and Board of Directors;
- 7.6 The Committee shall carry out other follow-up tasks based on the decisions of and feedback from the Board of Directors.

8. **Compensation Structure**

8.1 Remuneration to Non-Executive Directors:

- 8.1.1 The Non-executive Directors of the company are paid remuneration by way of sitting fees only for attending the meetings of the Board of Directors and its Committees, except legal adviser who is a member of the Board and is being paid professional fee in his professional capacity. The sitting fees paid to the Non-executive Directors for attending meetings of Board of Directors and for attending the Committees thereof will be fixed by the Board from time to time within the limits prescribed under the Companies Act, 2013. Beside the sitting fees they are also entitled to reimbursement of expenses. The Non-executive Directors of the Company are not paid any other remuneration.

- 8.1.2 The sitting fees of the Non-executive Directors for attending meetings of Board of Directors and the Committees of Board of Directors may be modified or implemented from time to time only with the approval of the Board in due compliance of the provisions of Companies Act, 2013.

8.2 Remuneration to Executive Directors, Key Managerial Personnel(s) (KMPs) and Senior Management Personnel (s) (SMPs):

- 8.2.1 The Company has a credible and transparent framework in determining and accounting for the remuneration of the Managing Director / Whole Time Directors (MD/WTDs), Key Managerial Personnel(s) (KMPs) and Senior Management Personnel(s) (SMPs). Their remuneration shall be governed by the external competitive environment, track record, potential, individual performance and performance of the company as well as industry standards. The remuneration determined for MD/WTDs, KMPs and SMPs are subjected to the approval of the Board of Directors in due compliance of the provisions of Companies Act, 2013. The remuneration for the KMP and the SMP at the time of the appointment and revision has to be approved by the Board but subsequent annual increments shall be approved by the Managing Director of the Company as per the HR policy of the Company.

- 8.2.2 Remuneration packages for Whole Time Directors are designed subject to the limits laid down under the Companies Act, 2013 to remunerate them fairly and responsibly. The remuneration of MD/WTDs, KMPs and SMPs comprises of salary, bonus, perquisites and also retirement benefits like P.F., Gratuity, etc. as per Rules of the Company.

- 8.2.3 Remuneration also aims to motivate personnel to deliver Company's key business strategies, create a strong performance - oriented environment and reward achievement of meaningful targets over the short and long term.

- 8.2.4 The MD/WTDs, KMPs and SMPs are entitled to customary non-monetary benefits such as company cars, furnished accommodation, health care benefits, leave travel, communication facilities, etc. as per the Rules of the Company.

- 8.3 As a policy, the Executive Directors are not paid sitting fee.

9. **Approval and publication**

- 9.1 This remuneration policy as framed by the Committee shall be recommended to the Board of Directors for its approval.

- 9.2 This policy shall be hosted on the Company's website.

- 9.3 The policy shall form part of Director's report to be issued by the Board of Directors in terms of Companies Act, 2013.

10. **Supplementary provisions**

- 10.1 This Policy shall formally be implemented from the date on which they are adopted pursuant to a resolution of the Board of Directors.

- 10.2 Any matters not provided for in this Policy shall be handled in accordance with relevant State laws and regulations and the Company's Articles of Association. If this Policy conflict with any laws or regulations subsequently promulgated by the State or with the Company's Articles of Association as amended pursuant to lawful procedure, the relevant State laws and regulations and the Company's Articles of Association shall prevail, and this Policy shall be amended in a timely manner and submitted to the Board of Directors for review and adoption.

- 10.3 The right to interpret this Policy vests in the Board of Directors of the Company.

“ANNEXURE B” TO BOARD’S REPORT

POLICY FOR EVALUATION OF PERFORMANCE OF BOARD OF DIRECTORS OF KSE LIMITED

(Effective from 26th March, 2015)

1. INTRODUCTION:

In an endeavor to safeguard the interest of public at large, the Companies Act, 2013 ('Act') provides that the performance of the Board of Directors of listed companies and prescribed class of companies must be reviewed regularly against appropriate criteria. For this purpose, the Nomination and Remuneration Committee of a company is required under Section 178 of the Act to formulate a policy for recommending it to the Board of directors of the company, setting the criteria, based on which the performance of each and every director including the performance of the Board as a whole shall be assessed by the Board of Directors of the Company. Based on such performance evaluation, remuneration of executive directors shall be determined. Such an evaluation procedure will provide a fine system of checks and balances on the performance of the directors and will ensure that they exercise their powers in a rational manner.

This policy aims at establishing a procedure for conducting periodical evaluation of directors' performance and formulating the criteria for determining qualification, positive attribute and independence of each and every director of the Company in order to effectively determine issues relating to remuneration of every director, key managerial personnel and other employees of the Company. This policy further aims at ensuring that the committees to which the Board of Directors has delegated specific responsibilities are performing efficiently in conformity with the prescribed functions and duties.

For this purpose, the Nomination and Remuneration Committee shall be responsible to identify the persons who are qualified to become directors and who may be appointed in the senior management of the Company and recommend to the Board their appointment and removal.

In addition, the Nomination and Remuneration Committee shall carry out the evaluation of performance of every director in accordance with the criteria contained herein.

Therefore, the Company has made this policy to comply with various provisions under the clause 49 of the Listing Agreement entered into by the Company and Stock Exchanges in India as per the SEBI Regulations published vide its Circular No. CIR / CFD / POLICY CELL / 2 / 2014 dated April 17, 2014 as amended and published vide its Circular No. CIR/CFD/POLICY CELL/7/2014 dated September 15, 2014 and also the formal annual evaluation made by the Board of Directors of its own performance (self-appraisals) and that of its committees and individual Directors as mentioned under the clause (p) of sub-section (3) of Section 134 of the Companies Act, 2013. The Nomination & Remuneration Committee shall evaluate the performance of the each of the Directors of the Board as per subsection (2) of Section 178 and based on the functions of the Board of Directors as indicated under Schedule IV (as per section 149) annexed to the Companies Act, 2013 and the Rules made there under.

The evaluation process will be used constructively as a system to improve the directors' and committees' effectiveness, to maximize their strength and to tackle their shortcomings.

2. DEFINITIONS:

- A. "the Act": The Act shall mean The Companies Act, 2013;
- B. "the Company": The Company shall mean KSE Limited.
- C. "the Board of Directors" or "the Board": The Board of Directors or the Board, in relation to the Company, shall mean and deemed to include the collective body of the Board of Directors of the Company including the Chairman of the Company.
- D. "the Independent Director": The Independent Director shall mean an Independent Director as defined under section 2 (47) to be read with section 149 (5) of the Act.
- E. "the Policy" or "this Policy": The policy or This Policy shall mean the Policy for Evaluation of performance of Board of Directors of the Company.
- F. "the Committee" or "this Committee": The Committee or This Committee shall mean the Nomination and Remuneration Committee of the Board of Directors formed under the provisions of Section 178 of Companies Act, 2013.

3. OBJECTIVE:

The Object of this policy is to formulate the procedures and also to prescribe and lay down the criteria to evaluate the performance of the entire Board of the Company.

4. PERFORMANCE EVALUATION:

This appraisal by the Committee to be carried out under the provisions of Section 178 of the Companies Act, 2013, shall be based on the criteria as mentioned in clause 5 below.

5. CRITERIA FOR EVALUATION:

A: APPRAISAL SYSTEM

CRITERIA FOR PERFORMANCE EVALUATION

Criteria	Sub-Criteria for Performance Evaluation	Rating
Based on Job Profile	1. Knowledge of the Job Profile 2. Skills required to perform or to execute the job profile	
Based on Responsibilities and Obligations	1. Attendance and participations in the Meetings 2. Expert opinions in respect of the serious issues	
Based on Strategies	1. Strategies formulated and successfully implemented 2. Various directions provided in the best interest of the Company on key issues	
Based on Performance Management	1. Financial Performance 2. Performance of the Company on the Stock Exchanges 3. Achievement of Award	
Based on Risk Management	1. Avoidance of High Financial Risk while executing the functions and duties 2. Avoidance from any other high risk	
Based on Talent Management	1. Achievement in respect of Successful Negotiations 2. The level of Talent retained at Low, Mid and Top Level	
Based on core governance and compliance management	1. Review of Detailed Compliances applicable under the various Laws, Rules & Regulations 2. Reviewing Whether the Business is running Legally or not	
Based on Annual Targets	1. Targets achieved in Turnover 2. Targets achieved in Manufacturing Activity	
Based on Expansion & Diversification	1. New successfully executed Business Expansions 2. New successfully executed Business Diversifications	
Based on conflict of Interest Management	1. Strategy to resolve the conflict of interest in other Directors 2. Strategy to resolve the conflict of interest in other Employees	
Financial and Operational Control Mechanism	1. Control on Financial Dealings 2. Control on internal Operational Activities	
Corporate culture and Moral values	1. Initiative to maintaining Corporate Culture of the Company 2. Initiative to maintaining Moral Values of the Company	
Integrity and Ethics	1. Initiative to maintaining High level of Integrity 2. Initiative to maintaining High level of Ethics	
Compliance with Code of conduct	1. Functioning of Duties and Responsibilities as per the Code of Conduct for Directors 2. Abidance and behavior in accordance with Code of Conduct for Directors	
General Knowledge and Skill	1. Knowledge about compound animal feed industry 2. Skill and knowledge required for the compound animal feed industry 3. Communication skill and quick responsiveness.	

RATING SCALE

Scale	Performance	Scale	Performance	Scale	Performance
5	Exceptionally Good	4	Good	3	Satisfactory
2	Need Improvement	1	Unacceptable		

B. EVALUATION OF THE PERFORMANCE:

The Committee shall evaluate the performance of each member of the Board of Directors of the Company with reference of the authority under the Nomination and Remuneration Policy of the Company framed in accordance with the provisions of section 178 of the Companies Act, 2013 and based on their functions as mentioned in the Code for Independent Directors.

Based on the performance evaluation of each and every Director and the Chairman of the Company, the Committee shall provide the ratings based on each criteria and sub-criteria.

C. EFFECTIVENESS OF THE BOARD:

Based on the ratings given by the Nomination & Remuneration Committee to each Director, the overall effectiveness of the Board shall be measured and accordingly the Board shall decide the Appointments, Re-appointments and Removal of the non-performing Directors of the Company.

6. EVALUATION OF PERFORMANCE OF BOARD MEMBERS:

The evaluation of performance of Board Members shall be held at least once in a year and the Company shall disclose the criteria laid down by the Nomination and Remuneration Committee for performance evaluation in the Board's Report.

The Independent Directors in their separate meeting shall evaluate the performance of non-independent directors (executive and non-executive).

Evaluation of Independent Director shall be carried on by the entire Board in the same way as it is done for the Non-Independent Directors of the Company except the Director getting evaluated.

The evaluation procedure shall be as per clauses 7 and 8 below.

7. CRITERIA FOR ANNUAL EVALUATION OF PERFORMANCE:

The following criteria are laid down for evaluation of performance of Independent Directors and the non-independent directors.

1. Attendance and contribution at Board and Committee meetings
2. His/her stature, appropriate mix of expertise, skills, behaviour, experience, leadership qualities, sense of seriousness and thoughtfulness and understanding of business, strategic direction to align company's value and standards.
3. His/her knowledge of finance, accounts, legal, investment, marketing, foreign exchange/ hedging, internal controls, risk management, assessment and mitigation, business operations, processes and Corporate Governance.
4. His/her ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.
5. Effective decisions making ability to respond positively and constructively to implement the same to encourage more transparency.
6. Open channels of communication with executive management and other colleague on Board to maintain high standards of integrity and morality.
7. Recognize the role which he/she is expected to play, internal Board Relationships to make decisions objectively and collectively in the best interest of the Company to achieve organizational successes and harmonizing the Board.
8. His/her global presence, rational, physical and mental fitness, broader thinking, vision on corporate social responsibility etc.
9. Quality of decision making, understanding financial statements and business performance, raising of finance, best source of finance, working capital requirement, forex dealings, geopolitics, human resources etc.
10. His/her ability to monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders.
11. His/her contribution to enhance overall brand image of the Company.

8. PROCEDURE TO RATE THE PERFORMANCE:

Based on evaluation criteria, the Board shall rate the performance of the each and every Director.

The performance rating shall be given within minimum 1 and maximum 5 categories, the rating 1 being least effective and 5 being most effective. Based on the rating of performance, the Board can decide the strategy to extend or continue the term of appointment or to introduce new candidate as a member of the Board or Retirement of the member based on his/her performance rating as to create and maintain the most effective and powerful top level management of the Company for its future growth, expansion, diversification and also to maximize the returns on investments to the stakeholders of the Company.

9. REVIEW

Subject to the approval of Board of Directors, the “Nomination and Remuneration Committee” reserves its right to review and amend this Policy, if required, to ascertain its appropriateness as per the needs of the Company. The Policy may be amended by passing a resolution at a meeting of the Nomination and Remuneration Committee, subsequently ratified by the Board.

10. DISCLOSURE

In accordance with the requirement under the Companies Act, 2013, and Rules made thereunder and Listing Agreement, disclosures will be made in the Board Report regarding the manner in which the performance evaluation has been done by the Board of Directors of its own performance, performance of various Committees of Directors and individual Directors.

BOARD MEMBER FEEDBACK

Name of the Director

being evaluated :

Sl. No.	Points of evaluation	Rating
1	Participation and attendance in Board and Committee Meetings actively and consistently	
2	Prepares adequately for Board and Committee Meetings	
3	Contributes to strategy and other areas impacting company's performance	
4	Brings his/her experience and credibility to bear on the critical areas of performance of the organization	
5	Keeps updated knowledge of his/her areas of expertise and other important areas	
6	Communicates in open and constructive manner	
7	Gives fair chance to other members to contribute, participates actively in the discussions and is consensus oriented	
8	Helps to create brand image of the Company and helps the company wherever possible to resolve issues, if any	
9	Actively contributes toward positive growth of the Company	
10	Conduct himself /herself in a manner that is ethical and consistent with the laws of the land	
	Total Rating	

RATING SCALE		Note: Total Rating Ratio 45 and above – Excellent, between 35 to 44 – Very good, between 30 to 34 – Good, between 20 to 29 – Satisfactory & Less than 20 – Unsatisfactory.
5	Exceptionally Good	
4	Good	
3	Satisfactory	
2	Needs Improvement	
1	Unacceptable	

Evaluated by :

Signature :

Date :

“ANNEXURE C” TO BOARD’S REPORT

ANNUAL REPORT ON CSR ACTIVITIES FOR YEAR ENDED 31ST MARCH, 2018

- 1 Brief outline of CSR Policy of KSE Limited
The CSR Policy of KSE Limited incorporates the company's philosophy for giving back to the society as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for the welfare and sustainable development of the community at large. The main objective of the Policy is to establish the basic principles and the general framework of action for the management to undertake and fulfil its corporate social responsibility. Under the Policy, the Company is committed to spend in every financial year at least 2% of its average net profits for the three immediately preceding financial years in some of the identified activities that are listed in Schedule VII (as amended) to the Companies Act, 2013. The CSR Policy of the Company can be accessed in the Company's website "www.kselimited.com" under Investor Relations.
- 2 Composition of CSR Committee
The Corporate Social Responsibility (CSR) Committee has been formed in conformity with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. There are four members in the Committee. Dr. K.C. Vijayaraghavan was the chairman of the Committee. He died on 19.04.2018. Dr. Jose Paul Thaliyath, Independent Director and Mr. A.P. George, Managing Director and Mr. T.R. Ragulal, Non-executive Director are the other members of the Committee. Mr. Ragulal has since resigned from the Board due to health reasons. The Board, in its meeting held on 30th May, 2018 has reconstituted the CSR Committee with Mr. Paul John, Independent Director, as Chairman thereof and Dr. Jose Paul Thaliyath, Independent Director and Mr. A.P. George, Managing Director as other two members.
- 3 Average net profit of the Company for the last three financial years ₹ 3010.66 lakhs
(Average profit for financial years 2014-15, 2015-16 and 2016-17)
- 4 Prescribed CSR Expenditure ₹ 60.21 lakhs (2% of the above)
- 5 Details of CSR spent during the financial year
 - (a) Total amount to be spent ₹ 60.21 lakhs
 - (b) Amount unspent Nil (Total amount spent under CSR for the financial year 2017-18 is ₹ 60.25 lakhs)
 - (c) Manner in which the amount was spent

Sl. No.	CSR activity identified	Sector in which the activity is covered	Area/locality where the project is undertaken	Amount outlay (₹ in lakhs) (on each program)	Amount spent (₹ in lakhs) (direct expenditure on each program)	Cumulative Expenditure upto reporting period (₹ in lakhs)	Amount spent: Direct or through implementing agency
1	Construction of Sports Pavilion cum Store and Toilet Block for Athletic Stadium of Christ College, Irinjalakuda	Promotion of Education & Sports [Schedule VII (ii) and (vii)]	Local Area Irinjalakuda	15.00	16.30	16.30	Direct
2	Assistance to improve need based farm facilities of dairy farmers (216 farmers benefited)	Promotion of Animal Welfare [Schedule VII (iv)]	Local Area Thrissur District	15.00	15.05	15.05	Direct
3	Anaesthesia Machine to Assisi Mission Hospital, Parappukara	Promotion of Health Care [Schedule VII (i)]	Local Area Parappukara	8.00	7.00	7.00	Direct

Sl. No.	CSR activity identified	Sector in which the activity is covered	Area/locality where the project is undertaken	Amount outlay (₹ in lakhs) (on each program)	Amount spent (₹ in lakhs) (direct expenditure on each program)	Cumulative Expenditure upto reporting period (₹ in lakhs)	Amount spent: Direct or through implementing agency
4	Providing HT power connection for the new hospital complex of Government General Hospital, constructed with Central Government Fund under National Health Mission, to make it usable. Part of the project completed in year 2016-17 and the balance in the year 2017-18.	Promotion of Health Care [Schedule VII (i)]	Local Area Irinjalakuda	12.78	6.00	12.52	Direct
5	Medicines for distribution to renal patients through Pain and Palliative Care Society, Thrissur and Physiotherapy Equipments for palliative care.	Promotion of Health Care [Schedule VII (i)]	Local Area Thrissur	4.00	4.25	4.25	Direct
6	Upkeep of Government Girls Higher Secondary School, Irinjalakuda by concrete tiling in the front courtyard	Promotion of education [Schedule VII (ii)]	Local Area Irinjalakuda	5.00	3.70	3.70	Direct
7	Projector and Sound system to Irinjalakuda Film Society, Irinjalakuda, for exhibition of art films and other films that will help for the development of art and culture	Promotion of art and culture [Schedule VII (v)]	Local Area Irinjalakuda	2.50	2.40	2.40	Direct
8	Digital screens for smart class to Lisieux Convent English Medium School, Kattungachira	Promotion of education [Schedule VII (ii)]	Local Area Irinjalakuda	2.00	2.30	2.30	Direct
9	Hospital cots to Government Medical college hospital, Thrissur	Promotion of Health Care [Schedule VII (i)]	Local Area Thrissur	2.30	2.30	2.30	Direct
10	Solar Water-heater for St. Thomas Convent, Nadavarambu, Irinjalakuda, an institution for rehabilitation of poor girls	Facilities for inmates of ladies home [Schedule VII (iii)]	Local Area Irinjalakuda	1.00	0.95	0.95	Direct

CSR Committee hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR Objectives and Policy of the Company.

For KSE Limited

Sd/-

Place : Irinjalakuda

Date : 30.05.2018

A.P. George
(DIN : 00106808)
Managing Director

For KSE Limited

Sd/-

Mr. Paul John, Director
(DIN : 00601440)
(Chairman, CSR Committee)

“ANNEXURE D” TO BOARD’S REPORT**DETAILS OF DEPOSITS ACCEPTED UNDER CHAPTER V**

(a)	Deposits accepted during the year	₹ 280.47 lakhs
(b)	Deposits remained unpaid or unclaimed as at the end of the year	Nil
(c)	Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved	No
	(i) at the beginning of the year	Nil
	(ii) maximum during the year	Nil
	(iii) at the end of the year	Nil
(d)	Deposits which are not in compliance with the requirements of Chapter V of the Act	Nil

“ANNEXURE E” TO BOARD’S REPORT**FORM AOC – 2**

(Pursuant to Section 134(3)(h) of the Companies Act, 2013 read with 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 Section 188(1) of the Companies Act, 2013 including certain arms’ 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 (b) Nature of contracts/arrangements/transactions (c) Duration of the contracts / arrangements/transactions (d) Salient terms of the contracts or arrangements or transactions including the value, if any (e) Justification for entering into such contracts or arrangements or transactions (f) date(s) of approval by the Board (g) Amount paid as advances, if any (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188 of the Companies Act, 2013	NA
2.	Details of material contracts or arrangement or transactions at arm’s length basis: (a) Name(s) of the related party and nature of relationship (b) Nature of contracts/arrangements/transactions (c) Duration of the contracts/arrangements/transactions (d) Salient terms of the contracts or arrangements or transactions including the value, if any (e) Date(s) of approval by the Board, if any (f) Amount paid as advances, if any	Nil

By Order of the Board

Sd/-

Dr. Jose Paul Thaliyath
(DIN : 01773031)
Chairman

Irinjalakuda
May 30, 2018

“ANNEXURE F” TO BOARD’S REPORT

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L15331KL1963PLC002028
2.	Registration Date	25/09/1963
3.	Name of the Company	KSE LIMITED
4.	Category/Sub-category of the Company	Public Company/ Limited by Shares
5.	Address of the Registered office & contact details	KSE LIMITED P.B. NO. 20, Solvent Road, Irinjalakuda, Thrissur India – 680121, Telephone – 0480 2825476 Fax – 0480 2826075, Email – ksekerala@gmail.com
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. S.K.D.C. Consultants Limited Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road Ganapathy, Coimbatore – 641006 Telephone – 0422 4958995, 2539835-836 Fax – 0422 2539837, Email – 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	Cattle feed	10801 – Manufacture of cattle Feeds	84.76 %
2	Extraction of vegetable oil and meal from copra cake	10402, 10406–Manufacture of vegetable oils and meals	12.23 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and address of the company	CIN/GLN	Holding/Subsidiary/Associate	% of shares held	Applicable Section
There are no Holding, Subsidiary or Associate Companies as on 31.03.2018					

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

A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	744399	97990	842389	26.325	773107	47108	820215	25.632	-0.693
b) Central Govt.	-	-	-	-	-	-	-	-	

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1)	744399	97990	842389	26.325	773107	47108	820215	25.632	-0.693
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	744399	97990	842389	26.325	773107	47108	820215	25.632	-0.693
B. Public Shareholding									
(1) Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify) Foreign portfolio investment corporates	-	-	-	-	2610	-	2610	0.082	0.082
Sub-total (B)(1):-	-	-	-	-	2610	-	2610	0.082	0.082
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	632278	8800	641078	20.034	652997	6900	659897	20.622	0.588
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital up to ₹1 lakh	608012	590675	1198687	37.459	685408	519639	1205047	37.657	0.198
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	275734	84740	360474	11.265	287335	39780	327115	10.222	-1.043
c) Others (specify)									
Non Resident Indians	19222	1400	20622	0.644	13316	0	13316	0.416	-0.228
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Directors and Relatives	104403	18300	122703	3.834	103671	13900	117571	3.674	-0.160
Clearing Members	2149	0	2149	0.067	6092	0	6092	0.190	0.123
Hindu Undivided Families	10015	0	10015	0.313	24438	0	24438	0.764	0.451
Trusts	1883	0	1883	0.059	1883	0	1883	0.059	0.000
IEPF	-	-	-	-	21816	0	21816	0.682	0.682
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	1653696	703915	2357611	73.675	1796956	580219	2377175	74.286	0.611
Total Public Shareholding (B)=(B)(1) + (B)(2)	1653696	703915	2357611	73.675	1799566	580219	2379785	74.368	0.693
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A + B + C)	2398095	801905	3200000	100.000	2572673	627327	3200000	100.000	0.000

B. Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of 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	GEORGE A P	48776	1.524		49954	1.561		0.037
2	K C VIJAYARAGHAVAN	46215	1.444		46215	1.444		
3	M.C. PAUL	37238	1.164		37238	1.164		
4	THRESSIAMMA GEORGE	32120	1.004		32120	1.004		
5	T.R. RAGULAL	29208	0.913		29208	0.913		
6	T R VENUGOPAL	26196	0.819		26196	0.819		
7	T.R. VIJAYAKUMAR	25643	0.801		25792	0.806		0.005
8	PAUL FRANCIS	23600	0.738		23600	0.738		
9	K.C. PYARELAL	22974	0.718		22512	0.703		-0.015
10	USHA HEMACHANDRAN	22320	0.698		22320	0.698		
11	ESTA JACKSON	22100	0.691		22100	0.691		
12	REENA GIGI	21200	0.662		21200	0.662		
13	MOLLY TOMY	21200	0.663		21200	0.663		
14	PUSHPAM BRIGHT	21100	0.659		21100	0.659		
15	THIMATHEWS P T	20200	0.631		20200	0.631		
16	JOHN FRANCIS	18120	0.566		18120	0.566		
17	SUNNY FRANCIS	17240	0.539		17540	0.548		0.009
18	SUJA JOHNSON POKKATH	17100	0.534		17100	0.534		
19	MERCY BASTIAN	16600	0.519		16600	0.519		
20	LATHIKA C M	15731	0.492		15732	0.492		--
21	SONIA SUNNY	14410	0.450		14410	0.450		
22	JOHNSON P D	13900	0.434		13900	0.434		

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of 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	
23	BEENA KAILASHNATHAN	13700	0.428		13700	0.428		
24	SHEELA . RAJIVEN	13700	0.428		13700	0.428		
25	SINI R SANTOSH	13500	0.422		13500	0.422		
26	PRAKASAN K C .	13160	0.411		13160	0.411		
27	RITHAMMA M V	12100	0.378		12600	0.394		0.016
28	BEENA JOHN	12260	0.383		12260	0.383		
29	VASUDEVAN K C	12260	0.383		12260	0.383		
30	DAISY JOSE	12100	0.378		11900	0.372		-0.006
31	DONY A G	11580	0.362		11580	0.362		
32	SUSAN FRANCIS	10600	0.331		10600	0.331		
33	MARIAMMA ANTO	10500	0.328		10500	0.328		
34	ANTONY A G	10400	0.325		10400	0.325		
35	ANTO P D	10200	0.319		10300	0.322		0.003
36	MARYKUTTY VARGHESE	10098	0.316		10098	0.316		
37	ALICE GEORGE	8700	0.272		8700	0.272		
38	A G REENA	8000	0.250		8000	0.250		
39	REENA JOJY	7500	0.234		7500	0.234		
40	SAWMIYA GINO	7080	0.221		7080	0.221		
41	JACKSON M P	6600	0.206		6600	0.206		
42	TOMY M P	6600	0.206		6600	0.206		
43	M P BRIGHT	6500	0.203		6500	0.203		
44	M P GIGI	6500	0.203		6500	0.203		
45	A P PAUL	4300	0.134		5478	0.171		0.037
46	SURESH JOSE	4400	0.138		4400	0.138		
47	BINU ANN	4400	0.138		4400	0.138		
48	ANU MARIA	4400	0.138		4400	0.138		
49	ROSE VARGHESE	4000	0.125		4003	0.125		--
50	USHA FRANCIS	3900	0.122		3900	0.122		
51	PRINCE PANIKULAM	3800	0.119		3800	0.119		
52	TESSY GEORGE	4900	0.153		2900	0.090		-0.063
53	MARINA VINCENT	2693	0.084		2895	0.090		0.006
54	TEENA PRINCE	2515	0.079		2515	0.079		
55	SUMY PAUL	2170	0.068		2170	0.068		
56	SHINY FRANCIS	9000	0.281		2113	0.066		-0.215
57	LEERA JEEJO	4000	0.125		1980	0.062		-0.063
58	SUNIL KUMAR K C	1890	0.059		1880	0.059		--
59	HONEY ROY	1800	0.056		1800	0.056		
60	SEEMA SURESH	1600	0.050		1600	0.050		

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding 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	
61	A O ROSY	1600	0.050		1600	0.050		
62	JOJO THOMAS K	1600	0.050		1600	0.050		
63	BASTIAN DEVASSY	1200	0.038		1200	0.038		
64	P D VINCENT	990	0.031		1050	0.033		0.002
65	GEORGE THERATTIL	900	0.028		900	0.028		
66	ANISH P ANTO	900	0.028		900	0.028		
67	GAYATHRI VIJAYARAGHAVAN	824	0.026		824	0.026		
68	MEERA PYARELAL	545	0.017		606	0.019		0.002
69	SHYAMA PRAKASAN .	500	0.016		500	0.016		
70	DR FRANCIS ALAPPAT	500	0.016		500	0.016		
71	SALLY PAUL	400	0.012		400	0.012		
72	ELIKUTTY CHAKKUNNY	400	0.013		400	0.013		
73	SIDDHARTH VIJAYARAGHAVAN	216	0.006		216	0.006		
74	ALLU P ANTO	200	0.006		200	0.006		
75	SARIGA RAGHULAL	200	0.006		200	0.006		
76	LATHA VENUGOPAL	200	0.006		200	0.006		
77	PD. GEORGE	100	0.003		100	0.003		
78	ROSY BABY	100	0.003		100	0.003		
79	ANIL KUMAR K C	90	0.003		90	0.003		
80	K C SASIDHARAN	100	0.003					-0.003
81	FR JOSE AKKARAKKARAN	8160	0.255					-0.255
82	JOSE A K .	567	0.018					-0.018
83	M C JOHNSON	5500	0.172					-0.172
		842389	26.325		820215	25.632		-0.693

C. Change in Promoters' Shareholding

Sl. 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
	At the beginning of the year	842389	26.325		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	#		#	
	At the end of the year	820215	25.632		

Transfer details of promoters are given in the next page.

INCREASE/DECREASE IN PROMOTERS' SHAREHOLDING

Sl. No.	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year 01.04.2017 to 31.03.2018	
		No of shares at the beginning (01.04.2017) / end of the year (31.03.2018)	% of total shares of the Company				No of shares	% of total shares of the Company
1	GEORGE A P	48776	1.524	01/04/2017			48776	1.524
				17/08/2017	1178	Transmission	49954	1.561
		49954	1.561	31/03/2018			49954	1.561
2	T.R. VIJAYAKUMAR	25643	0.801	01/04/2017			25643	0.801
				26/01/2018	150	Transfer	25793	0.806
		25792	0.806	31/03/2018	-1	Transfer	25792	0.806
3	K C PYARELAL	22974	0.718	01/04/2017			22974	0.718
				28/04/2017	542	Transfer	23516	0.735
				05/05/2017	450	Transfer	23966	0.749
				09/06/2017	110	Transfer	24076	0.752
				16/06/2017	-333	Transfer	23743	0.742
				16/06/2017	-40	Transfer	23703	0.741
				28/07/2017	-200	Transfer	23503	0.734
				25/08/2017	-2449	Transfer	21054	0.658
				01/09/2017	-363	Transfer	20691	0.647
				01/09/2017	-194	Transfer	20497	0.641
				15/09/2017	1850	Transfer	22347	0.698
				15/09/2017	109	Transfer	22456	0.702
				13/10/2017	60	Transfer	22516	0.704
				27/10/2017	10	Transfer	22526	0.704
				03/11/2017	169	Transfer	22695	0.709
				22/12/2017	-69	Transfer	22626	0.707
				26/01/2018	-92	Transfer	22534	0.704
				16/03/2018	83	Transfer	22617	0.707
				23/03/2018	-105	Transfer	22512	0.703
		22512	0.703	31/03/2018			22512	0.703
4	SUNNY FRANCIS	17240	0.539	01/04/2017			17240	0.539
				12/01/2018	300	Transfer	17540	0.548
		17540	0.548	31/03/2018			17540	0.548

Sl. No.	Name	Shareholding		Date	Increase/Decrease in share-holding	Reason	Cumulative Shareholding during the year 01.04.2017 to 31.03.2018	
		No of shares at the beginning (01.04.2017) / end of the year (31.03.2018)	% of total shares of the Company				No of shares	% of total shares of the Company
5	LATHIKA C M	15731	0.492	01/04/2017			15731	0.492
				08/09/2017	1	Transfer	15732	0.492
		15732	0.492	31/03/2018			15732	0.492
6	RITHAMMA M V	12100	0.378	01/04/2017			12100	0.378
				13/10/2017	-2651	Transfer	9449	0.295
				20/10/2017	-250	Transfer	9199	0.287
				27/10/2017	-151	Transfer	9048	0.283
				31/10/2017	-30	Transfer	9018	0.282
				03/11/2017	-60	Transfer	8958	0.280
				10/11/2017	-10	Transfer	8948	0.280
				17/11/2017	-348	Transfer	8600	0.269
				02/03/2018	4000	Transfer	12600	0.394
		12600	0.394	31/03/2018			12600	0.394
7	DAISY JOSE	12100	0.378	01/04/2017			12100	0.378
				07/07/2017	-70	Transfer	12030	0.376
				14/07/2017	-55	Transfer	11975	0.374
				21/07/2017	-20	Transfer	11955	0.374
				28/07/2017	-45	Transfer	11910	0.372
				18/08/2017	-10	Transfer	11900	0.372
		11900	0.372	31/03/2018			11900	0.372
8	ANTO P. D.	10200	0.319	01/04/2017			10200	0.319
				11/08/2017	100	Transfer	10300	0.322
		10300	0.322	31/03/2018			10300	0.322
9	A P PAUL	4300	0.134	01/04/2017			4300	0.134
				17/08/2017	1178	Transmission	5478	0.171
		5478	0.171	31/03/2018			5478	0.171
10	ROSE VARGHESE	4000	0.125	01/04/2017			4000	0.125
				02/03/2018	3	Transfer	4003	0.125
		4003	0.125	31/03/2018			4003	0.125
11	TESSY GEORGE	4900	0.153	01/04/2017			4900	0.153
				09/06/2017	-1000	Transfer	3900	0.122
				12/01/2018	-1000	Transfer	2900	0.090
		2900	0.090	31/03/2018			2900	0.090

Sl. No.	Name	Shareholding		Date	Increase/Decrease in share-holding	Reason	Cumulative Shareholding during the year 01.04.2017 to 31.03.2018	
		No of shares at the beginning (01.04.2017) / end of the year (31.03.2018)	% of total shares of the Company				No of shares	% of total shares of the Company
12	MARINA VINCENT	2693	0.084	01/04/2017			2693	0.084
				26/05/2017	70	Transfer	2763	0.086
				02/06/2017	115	Transfer	2878	0.090
				18/08/2017	80	Transfer	2958	0.092
				25/08/2017	50	Transfer	3008	0.094
				10/11/2017	51	Transfer	3059	0.096
				01/12/2017	-120	Transfer	2939	0.092
				16/02/2018	-61	Transfer	2878	0.090
				09/03/2018	40	Transfer	2918	0.091
				16/03/2018	60	Transfer	2978	0.093
				23/03/2018	-83	Transfer	2895	0.090
		2895	0.090	31/03/2018			2895	0.090
13	SHINY FRANCIS	9000	0.281	01/04/2017			9000	0.281
				09/06/2017	-97	Transfer	8903	0.278
				16/06/2017	-3	Transfer	8900	0.278
				30/06/2017	-900	Transfer	8000	0.250
				07/07/2017	-4052	Transfer	3948	0.123
				14/07/2017	-356	Transfer	3592	0.112
				21/07/2017	-331	Transfer	3261	0.102
				28/07/2017	-324	Transfer	2937	0.092
				04/08/2017	-19	Transfer	2918	0.091
				11/08/2017	-205	Transfer	2713	0.085
				18/08/2017	-450	Transfer	2263	0.071
				25/08/2017	-150	Transfer	2113	0.066
		2113	0.066	31/03/2018			2113	0.066
14	LEERA JEEJO	4000	0.125	01/04/2017			4000	0.125
				06/05/2017	100	Transfer	4100	0.128
				09/06/2017	-200	Transfer	3900	0.122
				18/08/2017	-600	Transfer	3300	0.103
				25/08/2017	-300	Transfer	3000	0.094
				22/09/2017	-1020	Transfer	1980	0.062
		1980	0.062	31/03/2018			1980	0.062
15	SUNIL KUMAR K C	1890	0.059	01/04/2017			1890	0.059
				21/07/2017	-10	Transfer	1880	0.059
		1880	0.059	31/03/2018			1880	0.059

Sl. No.	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year 01.04.2017 to 31.03.2018	
		No of shares at the beginning (01.04.2017) / end of the year (31.03.2018)	% of total shares of the Company				No of shares	% of total shares of the Company
16	VINCENT P D	990	0.031	01/04/2017			990	0.031
				02/06/2017	40	Transfer	1030	0.032
				09/06/2017	-12	Transfer	1018	0.032
				16/02/2018	32	Transfer	1050	0.033
		1050	0.033	31/03/2018			1050	0.033
17	MEERA PYARELAL	545	0.017	01/04/2017			545	0.017
				16/02/2018	61	Transfer	606	0.019
		606	0.019	31/03/2018			606	0.019
18	K C SASIDHARAN	100	0.003	01/04/2017			100	0.003
				26/12/2017	-100	Transfer IEPF	0	0.000
		0	0.000	31/03/2018			0	0.000
19	FR JOSE AKKARAKKARAN	8160	0.255	01/04/2017			8160	0.255
				17/08/2017	- 8160	Transmission	0	0.000
		0	0.000	31/03/2018			0	0.000
20	JOSE A K	567	0.018	01/04/2017			567	0.018
				07/04/2017	-45	Transfer	522	0.016
				14/04/2017	-120	Transfer	402	0.013
				21/04/2017	-26	Transfer	376	0.012
				28/04/2017	-90	Transfer	286	0.009
				12/05/2017	-95	Transfer	191	0.006
				19/05/2017	-45	Transfer	146	0.005
				02/06/2017	-46	Transfer	100	0.003
				09/06/2017	-55	Transfer	45	0.001
				16/06/2017	-20	Transfer	25	0.001
				23/06/2017	-10	Transfer	15	0.000
				30/06/2017	-15	Transfer	0	0.000
		0	0.000	31/03/2018			0	0.000
21	M C JOHNSON	5500	0.172	01/04/2017			5500	0.172
				20/10/2017	-200	Transfer	5300	0.166
				27/10/2017	-1300	Transfer	4000	0.125
				02/03/2018	-4000	Transfer	0	0.000
		0	0.000	31/03/2018			0	0.000

D. Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name	Shareholding		Date	Increase/Decrease in share-holding	Reason	Cumulative Shareholding during the year 01.04.2017 to 31.03.2018	
		No of shares at the beginning (01.04.2017) / end of the year (31.03.2018)	% of total shares of the Company				No of shares	% of total shares of the Company
1	PJD PROPERTIES AND INVESTMENTS PRIVATE LIMITED	545600	17.050	01/04/2017			545600	17.050
				25/08/2017	5400	Transfer	551000	17.219
				15/09/2017	1085	Transfer	552085	17.253
				29/09/2017	400	Transfer	552485	17.265
				17/11/2017	1507	Transfer	553992	17.312
				24/11/2017	700	Transfer	554692	17.334
				01/12/2017	708	Transfer	555400	17.356
				08/12/2017	2294	Transfer	557694	17.428
				15/12/2017	1706	Transfer	559400	17.481
				22/12/2017	498	Transfer	559898	17.497
				12/01/2018	1002	Transfer	560900	17.528
		560900	17.528	31/03/2018			560900	17.528
2	ENSEMBLE HOLDINGS AND FINANCE LIMITED	37330	1.167	01/04/2017			37330	1.167
				07/04/2017	14	Transfer	37344	1.167
				28/04/2017	878	Transfer	38222	1.194
				05/05/2017	227	Transfer	38449	1.202
				12/05/2017	1342	Transfer	39791	1.243
				19/05/2017	1500	Transfer	41291	1.290
				26/05/2017	414	Transfer	41705	1.303
				09/06/2017	913	Transfer	42618	1.332
				16/06/2017	768	Transfer	43386	1.356
				23/06/2017	3585	Transfer	46971	1.468
				30/06/2017	1027	Transfer	47998	1.500
				07/07/2017	3717	Transfer	51715	1.616
				14/07/2017	3057	Transfer	54772	1.712
				21/07/2017	4420	Transfer	59192	1.850
				28/07/2017	1250	Transfer	60442	1.889
				04/08/2017	1510	Transfer	61952	1.936
				11/08/2017	1724	Transfer	63676	1.990
				18/08/2017	500	Transfer	64176	2.006
				25/08/2017	4824	Transfer	69000	2.156
				24/11/2017	-1000	Transfer	68000	2.125
				01/12/2017	-500	Transfer	67500	2.109
				08/12/2017	-1804	Transfer	65696	2.053
				15/12/2017	-792	Transfer	64904	2.028

Sl. No.	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year 01.04.2017 to 31.03.2018	
		No of shares at the beginning (01.04.2017) / end of the year (31.03.2018)	% of total shares of the Company				No of shares	% of total shares of the Company
				12/01/2018	-1005	Transfer	63899	1.997
				19/01/2018	-285	Transfer	63614	1.988
				02/02/2018	-235	Transfer	63379	1.981
				09/03/2018	-193	Transfer	63186	1.975
				16/03/2018	-2012	Transfer	61174	1.912
				23/03/2018	-575	Transfer	60599	1.894
		60399	1.887	31/03/2018	-200	Transfer	60399	1.887
3	NADIR BARJORJI GODREJ	49927	1.560	01/04/2017			49927	1.560
				07/04/2017	73	Transfer	50000	1.563
				14/04/2017	1070	Transfer	51070	1.596
				21/04/2017	1454	Transfer	52524	1.641
				05/05/2017	379	Transfer	52903	1.653
				26/05/2017	417	Transfer	53320	1.666
				02/06/2017	484	Transfer	53804	1.681
				09/06/2017	200	Transfer	54004	1.688
				16/06/2017	500	Transfer	54504	1.703
				07/07/2017	400	Transfer	54904	1.716
				28/07/2017	96	Transfer	55000	1.719
				15/12/2017	-1000	Transfer	54000	1.688
				22/12/2017	-2000	Transfer	52000	1.625
				05/01/2018	-2500	Transfer	49500	1.547
				12/01/2018	-1721	Transfer	47779	1.493
				19/01/2018	-2329	Transfer	45450	1.420
				26/01/2018	-1176	Transfer	44274	1.384
				02/02/2018	-2670	Transfer	41604	1.300
				09/02/2018	-900	Transfer	40704	1.272
				16/02/2018	-1000	Transfer	39704	1.241
				23/02/2018	-461	Transfer	39243	1.226
				02/03/2018	-93	Transfer	39150	1.223
				16/03/2018	-71	Transfer	39079	1.221
		38619	1.207	31/03/2018	-460	Transfer	38619	1.207
4	RADHA ANAND MENON	25026	0.782	01/04/2017			25026	0.782
				21/07/2017	200	Transfer	25226	0.788
				26/01/2018	100	Transfer	25326	0.791
		25326	0.791	31/03/2018			25326	0.791

Sl. No.	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year 01.04.2017 to 31.03.2018	
		No of shares at the beginning (01.04.2017) / end of the year (31.03.2018)	% of total shares of the Company				No of shares	% of total shares of the Company
5	NINA PAUL	22100	0.691	01/04/2017		Nil movement during the year	22100	0.691
		22100	0.691	31/03/2018			22100	0.691
6	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY			29/12/2017	21813	Transfer	21813	0.682
				05/01/2018	3	Transfer	21816	0.682
		21816	0.682	31/03/2018			21816	0.682
7	HORMAZD NADIR GODREJ	23728	0.742	01/04/2017			23728	0.742
				07/04/2017	1272	Transfer	25000	0.781
				18/08/2017	676	Transfer	25676	0.802
				25/08/2017	324	Transfer	26000	0.813
				02/02/2018	-1266	Transfer	24734	0.773
				09/02/2018	-128	Transfer	24606	0.769
				16/02/2018	-99	Transfer	24507	0.766
				23/02/2018	-155	Transfer	24352	0.761
				02/03/2018	-33	Transfer	24319	0.760
				09/03/2018	-2147	Transfer	22172	0.693
				16/03/2018	-500	Transfer	21672	0.677
				23/03/2018	-660	Transfer	21012	0.657
		20412	0.638	31/03/2018	-600	Transfer	20412	0.638
8	MARY JOSE K.	18420	0.576	01/04/2017			18420	0.576
				23/09/2017	100	Transmission	18520	0.579
		18520	0.579	31/03/2018			18520	0.579
9	JAGDISHWAR T TOPPO	17249	0.539	01/04/2017			17249	0.539
				28/04/2017	27	Transfer	17276	0.540
				05/05/2017	5	Transfer	17281	0.540
				16/06/2017	6	Transfer	17287	0.540
				17/11/2017	519	Transfer	17806	0.556
				02/02/2018	257	Transfer	18063	0.564
				09/02/2018	210	Transfer	18273	0.571
		18273	0.571	31/03/2018			18273	0.571
10	SALINI TOPPO	16302	0.509	01/04/2017			16302	0.509
				28/04/2017	25	Transfer	16327	0.510
				05/05/2017	10	Transfer	16337	0.511
				10/11/2017	36	Transfer	16373	0.512
				17/11/2017	1689	Transfer	18062	0.564
		18062	0.564	31/03/2018			18062	0.564

E. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in share- holding	Reason	Cumulative Shareholding during the year 01.04.2017 to 31.03.2018	
		No of shares at the beginning (01.04.2017) / end of the year (31.03.2018)	% of total shares of the Company				No of shares	% of total shares of the Company
A DIRECTORS :								
1	George A P Managing Director	48776	1.524	01/04/2017			48776	1.524
				17/08/2017	1178	Transmission	49954	1.561
		49954	1.561	31/03/2018			49954	1.561
2	Jackson M P Executive Director	6600	0.206	01/04/2017		Nil movement	6600	0.206
		6600	0.206	31/03/2018		during the year	6600	0.206
3	P D Anto Non- Executive Director	10200	0.319	01/04/2017			10200	0.319
				30/06/2017	100	Transfer	10300	0.322
		10300	0.322	31/03/2018			10300	0.322
4	Dr. K C Vijayaraghavan Non- Executive Director	46215	1.444	01/04/2017		Nil movement	46215	1.444
		46215	1.444	31/03/2018		during the year	46215	1.444
5	T R Raghulal Non- Executive Director	29208	0.913	01/04/2017		Nil movement	29208	0.913
		29208	0.913	31/03/2018		during the year	29208	0.913
6	Dr Jose Paul Thaliyath Independent Non- Executive Director	29517	0.922	01/04/2017		Nil movement	29517	0.922
		29517	0.922	31/03/2018		during the year	29517	0.922
7	Joseph Xavier Independent Non- Executive Director	18077	0.565	01/04/2017			18077	0.565
				13/10/2017	20	Transfer	18097	0.566
				27/10/2017	10	Transfer	18107	0.566
				02/02/2018	30	Transfer	18137	0.567
				16/02/2018	-30	Transfer	18107	0.566
		18107	0.566	31/03/2018			18107	0.566
8	Sathi A Menon Independent Non- Executive Director	0	0	01/04/2017		Nil holding/ movement	0	0
		0	0	31/03/2018		during the year	0	0
9	Paul John Independent Non- Executive Director	4400	0.137	01/04/2017		Nil movement	4400	0.137
		4400	0.137	31/03/2018		during the year	4400	0.137

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in share- holding	Reason	Cumulative Shareholding during the year 01.04.2017 to 31.03.2018	
		No of shares at the beginning (01.04.2017) / end of the year (31.03.2018)	% of total shares of the Company				No of shares	% of total shares of the Company
10	Paul Francis Non- Executive Director	23600	0.738	01/04/2017		Nil movement during the year	23600	0.738
		23600	0.738	31/03/2018			23600	0.738
11	Marykutty Varghese Non- Executive Director	10098	0.316	01/04/2017		Nil movement during the year	10098	0.316
		10098	0.316	31/03/2018			10098	0.316
B KEY MANAGERIAL PERSONS :								
1	R. Sankaranarayanan CFO & Company Secretary	2411	0.075	01/04/2017			2411	0.075
				13/10/2017	18	Transfer	2429	0.076
		2429	0.076	31/03/2018			2429	0.076

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Fixed Deposits accepted (Unsecured)	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2017)				
i) Principal Amount	3,016.52		920.91	3,937.43
ii) Interest due but not paid				
iii) Interest accrued but not due			105.03	105.03
Total (i + ii + iii)	3,016.52		1,025.94	4,042.46
Change in Indebtedness during the financial year				
• Addition	#438.27		280.47	718.74
• Reduction			261.96	261.96
Net Change	438.27		18.51	456.78
Indebtedness at the end of the financial year (31.03.2018)				
i) Principal Amount	3,454.79		939.42	4,394.21
ii) Interest due but not paid				
iii) Interest accrued but not due			120.16	120.16
Total (i + ii + iii)	3,454.79		1,059.58	4,514.37

The daily changes in balances of cash credit accounts has not been considered.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager (see notes below)			Total Amount
		M C Paul	A.P. George	M P Jackson	
1	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	20.13	28.66	2.89	51.68
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.04	1.49		1.53
	(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...				
5	Others				
	Leave Travel Allowance				
	Employer Contribution to Provident Fund	2.01	2.86	0.29	5.16
	Provision for Gratuity	1.44			1.44
	Total (A)	23.62	33.01	3.18	59.81
	Ceiling as per the Act	₹ 1,095.10 lakhs (being 10% of net profits of the Company calculated as per Section 197 (1) read with Section 198 of the Companies Act, 2013)			

Notes : 1. Mr. M.C. Paul was Managing Director upto 22-10-2017.

2. Mr. A.P. George was Executive Director up to 13-11-2017 and was elevated as Managing Director from 14-11-2017.

3. Mr. M. P. Jackson was appointed as additional director from 14-11-2017 and as Executive Director from 12-02-2018.

B. Remuneration to other directors

(₹ in lakhs)

Sl No.	Particulars of Remuneration	Name of Directors											Total Amount
		P D Anto	Dr K C Vijayaraghavan	John K Francis (upto 23-10-2017)	Paul Francis (from 14-11-2017)	M.P. Jackson (from 14-11-2017 to 11.02.2018)	T R Raghulal	Marykutty Varghese	Dr Jose Paul Thaliyath	Joseph Xavier	Sathi A Menon	Paul John	
1	Independent Directors												
	Fee for attending board and committee meetings	-	-	-	-	-	-	-	3.05	2.15	2.22	2.22	9.64
	Commission												
	Others, please specify												
	Total (1)	-	-	-	-	-	-	-	3.05	2.15	2.22	2.22	9.64
2	Other Non-Executive Directors												
	Fee for attending board and committee meetings	3.26	2.29	1.47	1.08	0.72	0.31	1.81	-	-	-	-	10.94
	Commission												
	Others												
	Total (2)	3.26	2.29	1.47	1.08	0.72	0.31	1.81	-	-	-	-	10.94
	Total (B)=(1+2)	3.26	2.29	1.47	1.08	0.72	0.31	1.81	3.05	2.15	2.22	2.22	20.58
	Total Managerial Remuneration (A) + (B)	₹ 80.39 lakhs (Including sitting fee of ₹ 20.58 lakhs paid to Non-executive Directors to be excluded for the purpose of overall ceiling as per the Act)											
	Overall Ceiling as per the Act	₹ 1,204.61 lakhs (being 11% of the net profits of the Company calculated as per Section 197 (1) read with Section 198 of the Companies Act, 2013)											

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD

(₹ in lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel
		R. Sankaranarayanan CFO & Company Secretary
1	Gross salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	38.04
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2.85
	(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...	
5	Others - Employer Contribution to Provident Fund	3.45
	Total	44.34

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

“ANNEXURE G” TO BOARD’S REPORT

SATHISH V
B.COM, LLB, PGDT, ACMA, FCS
PRACTISING COMPANY SECRETARY
B1, I FLOOR, PERIELLATH APARTMENTS, JAWAHAR – MAHATMA ROAD, VYTTILA P.O, COCHIN - 682019
Phone: 0484 – 4044551; 9961333309 Email: vsathish.cs@gmail.com

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2018

[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,
M/s KSE Limited
Regd. Office: Solvent Road
Irinjalakuda
Pin-680 121

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s KSE LIMITED (hereinafter referred as the company) with Corporate Identity No L15331KL1963PLC002028. The 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 the 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 on 31st March 2018 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s KSE LIMITED for the financial year ended on 31st March 2018 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 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;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (g) 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;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with Bombay Stock Exchange;

2. I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 2013 and the Rules made under that Act and the Memorandum and Articles of Association of the Company, with regard to:
- a) maintenance of various statutory registers and documents and making necessary entries therein;
 - b) closure of the Register of Members / Debenture holders;
 - c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
 - d) service of documents by the Company on its Members, Auditors and the Registrar of Companies;
 - e) notice of Board meetings and Committee meetings of Directors;
 - f) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
 - g) the 53rd Annual General Meeting held on 31st August, 2017;
 - h) minutes of proceedings of General Meetings and of the Board and its Committee meetings;
 - i) approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
 - j) payment of remuneration to Directors, including the Managing Director;
 - k) appointment and remuneration of Auditors and Cost Auditors;
 - l) transfers and transmissions of the Company's shares and debentures, and issue and dispatch of duplicate certificates of shares;
 - m) declaration and payment of dividend;
 - n) transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
 - o) transfer of certain equity shares to Investor Education and Protection Fund [IEPF] Authority, in respect of which, dividend has remained unpaid or unclaimed by the shareholders for 7 consecutive years or more;
 - p) borrowings and registration, modification and satisfaction of charges wherever applicable;
 - q) investment of the Company's funds including inter-corporate loans and investments and loans to others;
 - r) form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule III to the Act;
 - s) preparation of Board's Report;
 - t) execution of contracts, affixing of common seal, registered office and publication of name of the company; and
 - u) generally, all other applicable provisions of the Act and the Rules made under the Act.
3. I further report that:-
- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
 - b) The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings/ directorships in other companies and interests in other entities.
 - c) 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.
 - d) Majority decision is carried through, while the dissenting members' views are captured and recorded as part of the minutes.
 - e) The company has obtained all necessary approvals under the various provisions of the Act.
4. 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 applicable laws, rules, regulations and guidelines and that during the audit period, there were no other specific events/ actions in pursuance of the above referred laws, rules, regulations, guidelines, etc. having a major bearing on the Company's affairs.

Place : Cochin

Date : 30.05.2018

SATHISH V
Practising Company Secretary
FCS 8005; CP 8343

“ANNEXURE H” TO BOARD’S REPORT

PARTICULARS OF EMPLOYEES

The information required under Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

A. Ratio of remuneration of each Director to the median remuneration of all the employees of Your Company for the financial year 2017-18 is as follows:

Sl. No.	Name of Director	Total Remuneration (₹ in lakhs)	Ratio of remuneration of director to the Median remuneration
Non- executive Directors			
1	P.D. Anto	3.26	1.04
2	Dr K.C. Vijayaraghavan	2.29	0.73
3	John Francis K.	1.47	0.47
4	T.R. Ragulal	0.31	0.10
5	Dr. Jose Paul Thaliyath	3.05	0.98
6	Joseph Xavier	2.15	0.69
7	Sathi A. Menon	2.22	0.71
8	Paul John	2.22	0.71
9	Marykutty Varghese	1.81	0.58
10	Paul Francis	1.08	0.35
Executive Directors			
1	M.C. Paul	23.62	7.56
2	A.P. George	33.01	10.57
3	M.P. Jackson	3.90	1.25

B. Details of percentage increase in the remuneration of each Director and CFO & Company Secretary in the financial year 2017-18 are as follows:

Sl. No.	Name of Director	Designation	Remuneration (₹ in lakhs)		Increase (%)
			2017-18	2016-17	
1	M.C. Paul	Managing Director (See Note 1 below)	23.62	47.86	-50.65
2	A.P. George	Executive Director (See Note 2 below)	33.01	23.02	43.4
3	M.P. Jackson	Executive Director (See Note 3 below)	3.90	--	--
4	P.D. Anto	Non- executive Director	3.26	2.59	25.87
5	Dr K.C. Vijayaraghavan	Non- executive Director	2.29	1.66	37.95
6	John K. Francis	Non- executive Director (See Note 5 below)	1.47	2.37	-37.97
7	T.R. Ragulal	Non- executive Director (See Note 4 below)	0.31	1.02	-69.61
8	Marykutty Varghese	Non- executive Director	1.81	1.34	35.07
9	Paul Francis	Non- executive Director (See Note 5 below)	1.08	--	--
10	Dr. Jose Paul Thaliyath	Non- executive and Independent Director	3.05	2.61	16.86
11	Joseph Xavier	Non- executive and Independent Director	2.15	1.46	47.26
12	Sathi A. Menon	Non- executive and Independent Director	2.22	1.68	32.14
13	Paul John	Non- executive and Independent Director	2.22	1.68	32.14
14	R. Sankaranarayanan	CFO and Company Secretary	44.34	33.89	30.84

1. Mr. M.C. Paul was Managing Director of the Company upto 22-10-2017 and then retired from the Board.
2. Mr. A.P. George, who was Executive Director of the Company, was elevated as Managing Director of the Company effective from 14th November, 2017. His remuneration has been enhanced with effect from that date by the Board, subject to approval of shareholders in ensuing Annual General Meeting by Special Resolution.

3. Mr. M.P. Jackson was appointed as additional director from 14-11-2017 and as Executive Director from 12-02-2018 and was in receipt of sitting fee for meetings attended by him until he was appointed as Executive Director. His remuneration with effect from 12.02.2018 as fixed by the Board, is subject to approval of shareholders in the ensuing Annual General Meeting.
4. Compared to previous year, the sitting fees paid to Mr. T.R. Ragulal has decreased due to fall in attendance of meetings. He has since submitted his resignation from the Board and the same was accepted by the Board effective from 30.05.2018.
5. Mr. John Francis K. has resigned from the directorship of the Company effective from 23rd October, 2017. In his place Mr. Paul Francis was appointed as Additional Director of the Company with effect from 14-11-2017 and remuneration of both Mr. John Francis K. and Mr. Paul Francis for the year 2017-18 shown above was only for the part of the year.

C. The percentage increase in the median remuneration of employees in the financial year: 0.53 %.

D. The number of permanent employees on the rolls of Company: 875 as on 31.03.2018.

E. 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:

The average annual increase in salaries was around 4.30 %.

The decline in managerial remuneration for the year was 18.51 % was due to the changes in the post of Managing Director and Executive Director as explained under item 'B' above.

Effective from 1st February, 2018 the sitting fee payable to each of the Non-Executive Directors has been enhanced from ₹ 12,000 to ₹ 15,000 per Board Meeting attended and from ₹ 7,000 to ₹ 10,000 for Committees thereof attended by them.

The increase in remuneration of Mr. A.P. George is due to revision of his remuneration with effect from 14.11.2017 by the Board, on appointing him as Managing Director, subject to approval of shareholders in General Meeting by Special Resolution.

Increase in the remuneration of Chief Financial Officer and Company Secretary was 33.89 % due to revision of salary along with other senior executives, which is being carried out every three years as a practice.

Mr. T.R. Ragulal attended lesser meetings and based on his attendance, he received lesser sitting fees compared to previous year.

Mr. John Francis K. has resigned from the directorship of the Company effective from 23rd October, 2017. In his place Mr. Paul Francis was appointed as Additional Director of the Company with effect from 14-11-2017 and remuneration of both Mr. John Francis K. and Mr. Paul Francis for the year 2017-18 shown above was only for the part of the year.

The increase/change in managerial remuneration is normal and in line with local industrial standards.

F. The key parameters for any variable component of remuneration availed by the directors:

No variable component of remuneration is availed by the Directors.

G. Affirmation

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Remuneration Policy of your Company.

H. Statement containing the particulars of employees in accordance with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1. List of employees of the Company employed throughout the financial year 2017-18 and were paid remuneration not less than ₹ 102 lakhs per annum:

None of the employees of the Company were paid remuneration exceeding ₹ 102 lakhs per annum.

2. Employees employed for the part of the year and were paid remuneration during the financial year 2017-18 at a rate which in aggregate was not less than ₹ 8.50 lakhs per month:

None of the employees employed for part for the year were paid remuneration exceeding ₹ 8.50 lakhs per month.

3. Employees, if employed throughout the financial year or part thereof, who were in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company:

None of the employee of the Company falls in the category.

“ANNEXURE I” TO BOARD’S REPORT

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014

A) Conservation of Energy

Every effort has been taken to utilise the energy most efficiently and judiciously. In March, 2017 we have commissioned 850 KW windmill at Palayam, Karur District, Tamil Nadu at a cost of ₹ 5.37 crores. The energy produced by the wind mill has been wheeled and utilised in Swaminathapuram and Thalayuthu Units and excess energy generated in peak season has been banked and utilised later on in the above Units. This has helped us to reduce the energy cost in both Plants considerably.

B) Technology Absorption

The Company does not have Technology Transfer Agreements / collaboration agreements with respect to its product line. During the year under review there was no major technology absorption undertaken by the Company.

C) Foreign Exchange Earnings and Outgo

	2017-2018 ₹ in lakhs	2016-2017 ₹ in lakhs
Foreign Exchange Earnings	4.05	1.40
Foreign Exchange Outgo	8,864.18	8,971.84

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Corporate Governance

In KSE Limited, we believe that good governance is a systematic process which enables the Company to operate in a manner that meets with the ethical, legal and business expectations and at the same time fulfills its social responsibilities. We believe in good Corporate Governance, with utmost transparency in its operations achieved by proper disclosures in its Annual Reports, Quarterly Results, Public Announcements, Press Releases and all other communications to shareholders, so as to provide shareholders and all other concerned with information about their Company's working, its strength, weakness, opportunities and threats and thereby enabling them to develop a proper and balanced perspective on the working of their Company.

2. Board of Directors

Board of KSE Limited consists of Eleven Directors, including two woman directors. There is no relationship between Directors inter-se. Two of the Directors, Managing Director and Executive Director, are Whole-time Executive Directors. The Chairman of the Board is a non-executive independent director. In total there are four independent directors in the Board. The Board invariably meets in every month and evaluates the performance of the Company. All major policy and business decisions of the Company are placed before the Board and decisions are taken after due deliberations and with mutual consensus. A Management Committee with five Directors as its members is functioning to assist the Board, which is regularly meeting, twice in a month, in order to review the operations of the Company and study the proposals that are to be placed before the Board and make recommendations thereon.

The details of members of the Board, number of equity shares of the Company held by them as on 31.03.2018, number of Board Meetings attended by them during the financial year 2017-18, details as to their attendance in the last AGM, details of other directorships, etc. are given hereunder:

Sl. No.	Name and Designation	Category of Director	No. of shares held	No. of Board Meeting attended	Attendance at last AGM held on 31.08.2017	No. of Other Directorships *		Committee Members	
						Director	Chairman	Member	Chairman
1	Mr. M.C. Paul Managing Director	Executive (see notes below)	37,238	7	Present	—	—	—	—
2	Mr. A.P. George, Managing Director	Executive (see notes below)	49,954	11	Present	1	—	—	—
3	Mr. M.P. Jackson Executive Director	Executive (see notes below)	6600	4	Not applicable	—	—	—	—
4	Mr. P.D. Anto Director	Non-Executive	10,300	12	Present	—	—	—	—
5	Dr. K.C. Vijayaraghavan Director	Non-Executive	46,215	12	Present	—	—	—	—
6	Mr. John Francis K. Director	Non-Executive (see notes below)	18,120	7	Present	—	—	—	—
7	Mr. T.R. Ragulal Director	Non-Executive	29,208	2	Not present	—	—	—	—
8	Paul Francis Director	Non-Executive (see notes below)	23600	4	Not applicable	—	—	—	—
9	Marykutty Varghese Woman Director	Non-Executive	10,098	12	Present	—	—	—	—
10	Dr. Jose Paul Thaliyath, Chairman	Non-Executive Independent	29,517	12	Present	—	—	—	—
11	Mr. Joseph Xavier Director	Non-Executive Independent	18,107	12	Present	—	—	—	—
12	Mrs. Sathi A. Menon Woman Director	Non-Executive Independent	Nil	12	Present	—	—	—	—
13	Mr. Paul John Director	Non-Executive Independent	4,400	12	Present	—	—	—	—

* For the above, only Directorships in Public Limited Companies are taken into consideration.

- Notes :
1. Mr. M.C. Paul was Managing Director upto 22-10-2017 and had resigned from the Board effective from 23-10-2017.
 2. Mr. A.P. George was Executive Director up to 13-11-2017 and was elevated as Managing Director from 14-11-2017.
 3. Mr. M.P. Jackson was appointed as additional director from 14-11-2017 and appointed as Executive Director from 12-02-2018.
 4. Mr. John Francis resigned from the Directorship of the Company effective from 23-10-2017.
 5. Mr. Paul Francis was appointed as additional director from 14-11-2017.
 6. Mr. T.R. Ragulal could not attend the meetings from July, 2017 onwards due to health reasons.

During the year 2017-2018, the Board met 12 times on the following dates:

Sl. No.	Date	Sl. No.	Date	Sl. No.	Date	Sl. No.	Date
1	27 th April, 2017	4	27 th July, 2017	7	23 rd October, 2017	10	25 th January, 2018
2	30 th May, 2017	5	14 th August, 2017	8	14 th November, 2017	11	12 th February, 2018
3	22 nd June, 2017	6	7 th September, 2017	9	19 th December, 2017	12	27 th March, 2018

for the details of the familiarisation programmes imparted to Independent Directors please visit "www.kselimited.com".

3. Audit Committee

Audit Committee is constituted in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is empowered as per the requirements of the said provisions. The Audit Committee is formed with four members, all being independent non-executive Directors. Mrs. Sathi A. Menon, Non-executive Independent woman Director, who is a practicing chartered accountant in Thrissur, is the Chairperson to the Audit Committee. The other three independent directors, who are members in the Audit Committee, are Dr. Jose Paul Thaliyath and Mr. Joseph Xavier and Mr. Paul John.

The broad terms of reference for the Audit Committee are as follows:

- recommendation for appointment, remuneration and terms of appointment of auditors of the Company
- review and monitor the auditor's independence and performance, and effectiveness of audit process
- examination of the financial statements and the auditor's report thereon
- approval or any subsequent modification of transactions of the Company with related parties
- scrutiny of inter-corporate loans and investments
- valuation of undertakings or assets of the Company, wherever it is necessary
- evaluation of internal financial controls and risk management systems
- monitoring the end use of funds raised through public offers and related matters
- overseeing of the Company's financial reporting process and disclosure of its financial information
- reviewing the annual financial statements before submission to the Board
- review of adequacy of internal control systems and internal audit systems of the Company
- review the functioning of the whistle blower mechanism
- approval of appointment of Chief Financial Officer, after assessing his qualifications, experience and background, etc.

The Audit Committee had met four times in the year 2017-18 and the attendance of each member of the Committee was as follows:

Date of Meeting	Mrs. Sathi A. Menon	Dr. Jose Paul Thaliyath	Dr. K.C. Vijayaraghavan	Mr. Joseph Xavier	Mr. Paul John
27/05/2017	Present	Present	Present	Not applicable	Present
11/08/2017	Present	Present	Present	Not applicable	Present
13/11/2017	Present	Present	Present	Not applicable	Present
10/02/2018	Present	Present	Not applicable	Present	Present

The Board has accepted all the recommendations of the Audit Committee. The disclosures made herein shall be treated as disclosures required to be made under sub-section (8) of Section 177 of the Companies Act, 2013.

4. Nomination and Remuneration Committee

Nomination and Remuneration Committee is constituted as per the provisions of Section 178 of the Companies Act, 2013 and as per Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee has four members, out of which three are independent directors. Mr. Joseph Xavier, Mrs. Sathi A. Menon, Mr. Paul John and Mr. P.D. Anto are the members of the Committee. Mr. Joseph Xavier is nominated by the Board as the Chairman of the Committee.

The broad terms of reference for the Remuneration Committee are the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The Nomination and Remuneration Committee met four times in the year 2017-18 and attendance of each member of the Committee was as follows:

Date of Meeting	Mr. Joseph Xavier	Mrs. Sathi A. Menon	Mr. Paul John	Mr. P.D. Anto
27/07/2017	Present	Present	Present	Present
14/11/2017	Present	Present	Present	Present
04/01/2018	Present	Present	Present	Present
10/02/2018	Present	Present	Present	Present

The Nomination and Remuneration Policy and the Performance Evaluation Policy of the Company are given separately which forms part of Board's Report. Disclosures included herein may be considered as compliance under Section 178 of the Companies Act, 2013.

5. Remuneration of Directors

The non-executive directors are paid only sitting fees for meetings of the Board or any Committees thereof attended by them. The details of remuneration to the Directors for the year 2017-18 are as follows:

Sl. No.	Name	Designation	Salary and allowances ₹ in lakhs	Other Benefits ₹ in lakhs	Professional Fee ₹ in lakhs	Sitting Fee ₹ in lakhs	Total ₹ in lakhs
1	Mr. M.C. Paul	Managing Director	23.58	0.04	—	—	23.62
2	Mr. A.P. George	Managing Director	31.52	1.49	—	—	33.01
3	Mr. M.P. Jackson	Executive Director	3.18	—	—	0.72	3.90
4	Dr. Jose Paul Thaliyath	Director & Chairman	—	—	—	3.05	3.05
5	Mr. P.D. Anto	Director	—	—	—	3.26	3.26
6	Dr. K.C. Vijayaraghavan	Director	—	—	—	2.29	2.29
7	Mr. John Francis K.	Director	—	—	—	1.47	1.47
8	Mr. T.R. Ragulal	Director	—	—	—	0.31	0.31
9	Mr. Joseph Xavier	Director	—	—	—	2.15	2.15
10	Mrs. Sathi A. Menon	Director	—	—	—	2.22	2.22
11	Mr. Paul John	Director	—	—	—	2.22	2.22
12	Mrs. Marykutty Varghese	Director	—	—	—	1.81	1.81
13	Mr. Paul Francis	Director	—	—	—	1.08	1.08

No stock options are granted to any one of the Directors of the Company.

- Notes :
1. Mr. M.C. Paul was Managing Director upto 22-10-2017 and had resigned from the Board effective from 23-10-2017.
 2. Mr. A.P. George was Executive Director up to 13-11-2017 and was elevated as Managing Director from 14-11-2017.
 3. Mr. M.P. Jackson was appointed as additional director from 14-11-2017 and as Executive Director from 12-02-2018.
 4. Mr. John Francis resigned from the Directorship of the Company effective from 23-10-2017.
 5. Mr. Paul Francis was appointed as additional director from 14-11-2017.
 6. Mr. T.R. Ragulal could not attend the meetings from July, 2017 onwards due to health reasons.

6. Stakeholders' Relationship Committee

Stakeholders' Relationship Committee has been constituted as per Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. P.D. Anto is the Chairman of the Committee. Mr. T. R. Ragulal, Mrs. Marykutty Varghese and Mr. Paul Francis are the other members of the Committee. Mr. R. Sankaranarayanan, Chief Financial Officer and Company Secretary has been designated as the Compliance Officer. During the year 2017-18, two complaints were received from shareholders which were resolved. No complaint/query was pending reply and no share transfer was pending for registration. The Stakeholders' Relationship Committee had met four times in the year 2017-18 and it was attended as follows:

Date of Meeting	Mr. A.P. George	Mr. P.D. Anto	Mr. T.R. Ragulal	Mrs. Marykutty Varghese	Paul Francis
30/05/2017	Present	Present	Present	Present	Not applicable
14/08/2017	Present	Present	Leave of Absence	Present	Not applicable
14/11/2017	Present	Present	Leave of Absence	Present	Not applicable
12/02/2018	Not applicable	Present	Leave of Absence	Present	Present

Note : Mr. T.R. Ragulal could not attend the meetings from July, 2017 onwards due to health reasons.

7. Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility (CSR) Committee has been formed in conformity with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. Dr. K.C. Vijayaraghavan was the chairman of the Committee. Mr. Joseph Xavier, Independent Director and Mr. A.P. George, Managing Director and Mr. T.R. Ragulal, Non-executive Director are the other members of the Committee. The Committee's terms of reference includes the following:

- formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- recommend the amount of expenditure to be incurred on the activities referred to above;
- monitor the CSR Policy of the Company from time to time;
- prepare a transparent monitoring mechanism for ensuring implementation of the projects/ programmes / activities proposed to be undertaken by the Company; and
- such other activities as the Board of Directors may determine from time to time.

During the year ended 31st March, 2018, the CSR Committee met twice and attendance of each member of the Committee was as follows:

Date of Meeting	Dr. K.C. Vijayaraghavan	Mr. John Francis K.	Mr. T.R. Ragulal	Mr. Joseph Xavier
11/08/2017	Present	Present	Leave of Absence	Present
10/11/2017	Present	Not applicable	Leave of Absence	Present

Note : Mr. T.R. Ragulal could not attend the meetings from July, 2017 onwards due to health reasons.

8. General Body Meetings

The location and time where last three Annual General Meetings were held are given below:

Name of Meeting	Date	Time	Venue
51 st Annual General Meeting	19 th September, 2015	3.00 p.m.	KSE Limited, Registered Office, Solvent Road, Irinjalakuda, Thrissur District, Kerala- 680121
52 nd Annual General Meeting	31 st August, 2016	3.00 p.m.	
53 rd Annual General Meeting	31 st August, 2017	3.00 p.m.	

The details of special resolutions passed in the above Annual General Meetings are as follows:

Meeting	Special Resolutions passed in the Annual General Meetings.
51 st AGM	No special resolutions passed.
52 nd AGM	Appointment of Mr. A.P. George (DIN 00106808) as Executive Director for a period of three years and fixing his remuneration with effect from 01.10.2015.
53 rd AGM	Enhancement of Remuneration of Mr. M.C. Paul (DIN 00105776), Managing Director. Enhancement of Remuneration of Mr. A.P. George (DIN 00106808), Executive Director.

No resolution was passed through Postal Ballot. For the 51st Annual General Meeting, in terms of Clause 35B of the Listing Agreement, in addition to the facility of remote e-voting, facility of Physical ballot by post also was provided for all resolutions passed in the meeting. In the 52nd and 53rd Annual General Meeting, in addition to the facility of remote e-voting, facility to cast vote by ballot paper at the venue of the meeting was also provided for all resolutions to be passed in the meeting. The voting pattern of the said meeting is provided in the Companies web-site "www.kselimited.com" under investor relations.

In the 54th Annual General Meeting, in addition to the facility of remote e-voting, facility to cast vote by ballot paper also will be provided for all resolutions to be passed in the meeting. The procedure for remote e-voting and voting by ballot paper at the venue of the meeting has been given in detail in the notes forming part of Notice to the 54th Annual General Meeting attached to the Annual Report for the year 2017-18. No resolution is proposed to be conducted through postal ballot in the ensuing 54th Annual General Meeting.

9. Means of Communication

Regularly the Company is publishing extracts of quarterly/half yearly/nine months unaudited results and audited annual financial results and the notices of Board meetings in 'Business Line' English daily and 'Mathrubhumi/Malayala Manorama' Malayalam dailies. The Company has posted the quarterly/half yearly/nine months unaudited results and audited annual financial results in the Company's website www.kselimited.com. The aforesaid results are also announced to the Stock Exchange as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All important information pertaining to the Company is also mentioned in the Annual Report of the Company which is circulated to the members and others entitled thereto in the respective financial year. The Annual Report is also posted in Company's website "www.kselimited.com" and can be downloaded.

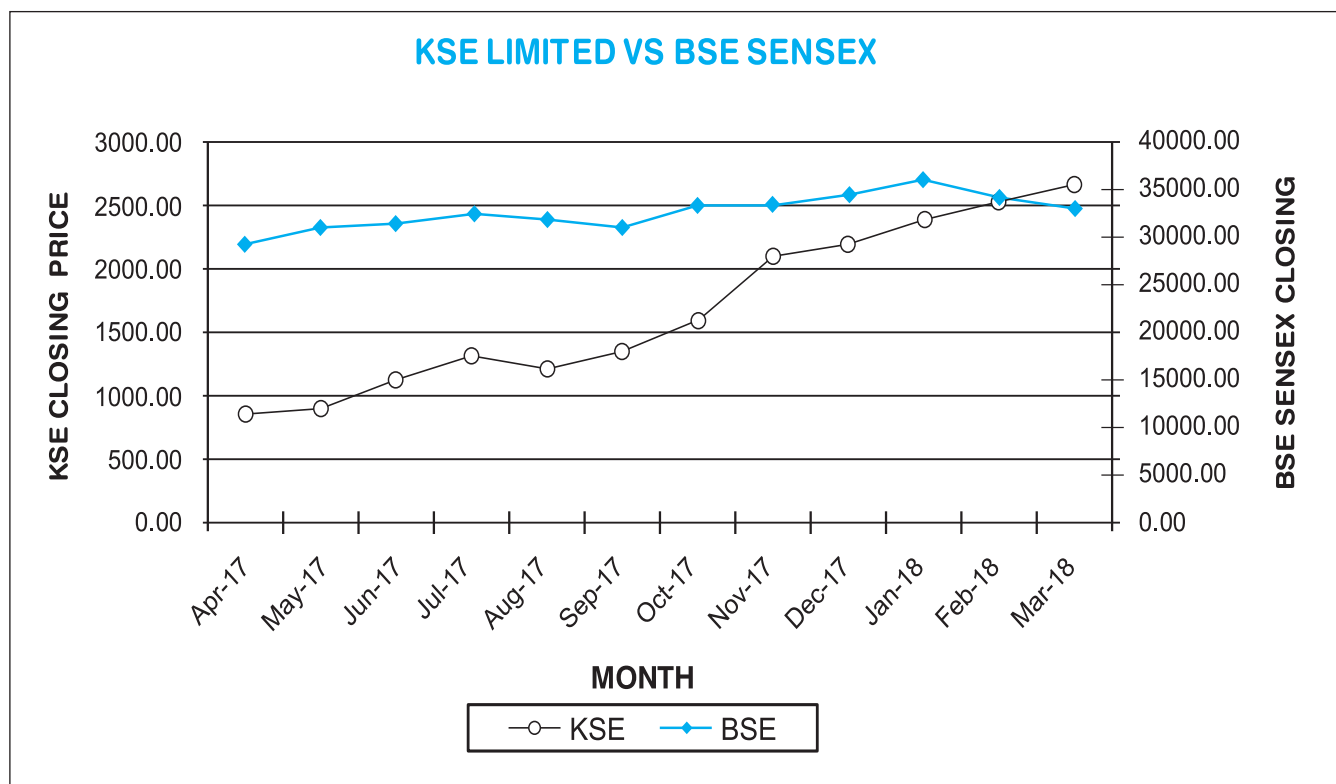
Your Company provides necessary information to the Stock Exchange in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other rules and regulations issued by the Securities Exchange Board of India. All disclosures made to the stock exchange are also available on the Company's website www.kselimited.com.

10. General Shareholder Information

- a) AGM - Date, time and venue
Friday, 31st August, 2018 at 3.00 p.m.
KSE Limited, Registered Office,
Solvent Road, Irinjalakuda - 680 121.
- b) Financial Year
1st April 2018 to 31st March 2019
- Unaudited Results for First Quarter
On or before 14th August, 2018
- Unaudited Results for Second Quarter
On or before 14th November, 2018
- Unaudited Results for Third Quarter
On or before 14th February, 2019
- Audited Results for year ending 31st March 2019
On or before 30th May, 2019
- c) Dividend Payment Date
Dividend of ₹ 60 per equity share of ₹ 10 each has been recommended for the year 2017-18 by the Board of Directors at its meeting held on 30th May, 2018 and subject to the approval of the shareholders at the ensuing Annual General Meeting, will be paid/ dispatched after 31st August, 2018 as follows:
1. in respect of the shares in physical form, to those Members, whose names appear in the Register of Members as on 31st August, 2018, after giving effect to all valid share transfers in physical form lodged on or before 24th August, 2018.
 2. in respect of shares held in electronic form, to those members whose names appear in the statement of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the closing hours of 24th August, 2018.
- Book Closure Date 25th August, 2018 to 31st August, 2018
(both days inclusive)
- d) Listing on Stock Exchanges
The Company's shares are listed on BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. The annual listing fee is paid upto date up to the year 2018-19.
- e) Stock Code
BSE Limited 519421
- f) Market Price Data
The monthly high and low prices and monthly volumes of the Company's shares at BSE for the year ended 31st March, 2018 are given below:

Month	High (₹)	Low (₹)	Volume (nos.)
April, 2017	905.00	798.00	9534
May, 2017	987.00	847.60	14086
June, 2017	1160.00	970.20	40686
July, 2017	1353.15	1095.10	41684
August, 2017	1355.40	1200.00	43436
September, 2017	1355.40	1195.55	24740
October, 2017	1744.90	1423.15	57443
November, 2017	2168.60	1515.00	51586
December, 2017	2168.60	2040.00	23991
January, 2018	2710.50	2029.15	76682
February, 2018	2861.00	2101.90	33388
March, 2018	2980.00	2125.25	46415

- g) The Chart below shows the performance of your Company's share price in comparison with BSE Sensex during the financial year 2017-18 based on month end closing:



h) Trading

At no point of time the trading of equity shares of KSE Limited was suspended by the Stock Exchange.

i) Registrars and Share Transfer Agents
(both for physical and demat segment)

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

Telephone : 0422 4958995, 2539835-836 Fax: 0422 2539837

E Mail : info@skdc-consultants.com

j) Share Transfer System

Demat facility has been provided for the equity shares of the Company and are the shares are transferable through Depository System. Both demat and physical share transfers are handled by M/s. S.K.D.C. Consultants Limited, Coimbatore. Members holding share certificates in physical form can transfer their shareholding by sending the share certificates, with a valid, duly executed and stamped transfer deed signed by the transferor and transferee and copy of PAN Card of transferee to the Registrars and Share Transfer Agents in their above address.

k) Distribution of share holding

No. of shares held	As at 31 st March, 2018			
	No. of Folios	%	No. of Shares	%
1 to 500	5139	89.81	486937	15.22
501 to 1000	214	3.74	164717	5.15
1001 to 5000	273	4.77	584356	18.26
5001 to 10000	32	0.56	206812	6.46
10001 and above	64	1.12	1757178	54.91
Total	5722	100.00	3200000	100.00

l) Dematerialisation of shares and liquidity

The Company has arrangements for demat of shares of the Company with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The ISIN number of the Company is INE953E01014. The details of Shares demated as on 31.03.2018 are the following:

DEPOSITORY	As at 31 st March, 2018	
	No. of Shares	%
NSDL	19,65,197	61.42
CDSL	6,07,476	18.98
Total Demat	25,72,673	80.40

m) Outstanding global depository receipts or american depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity

Nil

n) Commodity price risk or foreign exchange risk and hedging activities

Nil

o) Plant Locations

The location of various plants of the Company along with address and phone numbers are provided in the outside back cover of the Annual Report.

p) Address for correspondence

Chief Financial Officer and Company Secretary
KSE Limited
CIN L15331KL1963PLC002028
Irinjalakuda - 680 121, Kerala.
Phone : 0480 2825476; 2825576 (Extn: 212)
Email : investor.relations@kselimited.com

11. Other Disclosures

- a) **Related party transactions:** There is no materially significant related party transaction that may have potential conflict with the interests of company at large. The transactions of purchase of raw materials, mainly coconut oil cake and cattle feed ingredients from concerns in which few non-executive directors/relatives of directors have interest, and sale of products of the company, to concerns appointed as distributors of the Company in which certain Directors/relatives of Directors have interest, have been made at prices which are reasonable having regard to quality and prevailing market prices for such materials or the prices at which transactions of similar goods or services have been made with other parties. All the transactions with related parties were fair, transparent and at arm's length. The Register of Contracts containing transactions in which Directors are interested, is regularly placed before the Board. Full disclosure of related party transactions as per Indian Accounting Standard Ind AS 24 issued by the Institute of Chartered Accountants of India is given under Note No. 33.10 of Notes to the Annual Accounts.
- b) **Details of Non-compliance:** No penalty or strictures were imposed on the Company by the Stock Exchange or SEBI or any authority on any matter related to capital markets during the last three years.
- c) **Whistle Blower Policy:** In terms of Sub-sections (9) and (10) of Section 177 of the Companies Act, 2013 and in terms of Regulation 22 of SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015, the Company has established a vigil mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Mechanism provides for adequate safeguards against victimization of directors/employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases and no personnel of the Company has been denied access to the Audit Committee. The Board has approved the Whistle Blower Policy and Vigil Mechanism of the Company in its meeting held on 12th February, 2015. The same is posted in the Company's website "www.kselimited.com" under "Investor Relations". The disclosures made herein shall be treated as disclosures required to be made under Section 177 of the Companies Act, 2013.

- d) **Compliance of mandatory and non-mandatory requirements:** The Company has implemented all applicable mandatory requirements specified under SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015. The status of compliance of discretionary requirements specified in Part E of Schedule II of the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 is as under:

The Company has complied with the non-mandatory requirement as regards unqualified financial statements and separate post of Chairman and Managing Director. The Board of Directors is having a non-executive Chairperson. An office is made available for his use, if required by him, during his visits to the Company for attending meetings. Also all the internal audit reports are placed before and considered by the Audit Committee. The Company has not initiated with the non-mandatory requirement of sending half-yearly declaration of financial performance including summary of the significant events in the last six-months as otherwise the Company is communicating with the shareholders as explained under “means of communication”.

- e) **Material Subsidiaries:** The Company do not have any subsidiary.
- f) **Weblink for Policy on related party transactions:** The Company has established Related Party Transactions Policy and Procedures as approved by the Board in its meeting held on 12th August, 2014, which is placed in the website of the Company “www.kselimited.com” under investor relations.
- g) **Commodity price risks and Commodity hedging activity:** The main inputs for the manufacture of ready-mixed cattle feed are agricultural commodities. Agricultural markets, by its nature are volatile, and tend to move in line with various factors like farmers’ choice of crop, yield, season and rain fall. The milk price has been indirectly controlled by the Government, and this in turn, at times, puts an hindrance to pass on the rising commodity prices to the farmers over the short term, in the best interest of the farming community, and in the long term interest of the Company as well. Another commodity price risk emerges from foreign exchange rate risk, in case of import of ingredients. For this we employ, proper forward cover, if required, as per the situation then prevailing. Our primary objective in commodity hedging is to minimize price risk and earnings volatility, stabilize procurement costs and sales prices, and get the best margins. To combat the commodity price risks, we are employing several methods such as seasonal buying and storing, economic buying quantity, payments for supplies on delivery, sourcing of material from the origin, multiplicity of sources, etc. In cases, despite our best efforts, the commodity prices are moving erratic, suitable adjustments in the prices of finished products will be resorted to. The Company is not resorting to any forwards or futures or any similar commodity hedging instruments or any commodity options or commodity swaps to cover up the commodity price risks.

12.Compliance of corporate governance : All the requirements of corporate governance report have been complied by the Company, as far as applicable to the Company. Further, all the requirements of corporate governance specified in Regulation 17 to 27 and Clauses (b) to (i) of Sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied, so far as the same are applicable to the Company.

Irinjalakuda
May 30, 2018

By Order of the Board
Sd/-

Dr. Jose Paul Thaliyath
(DIN : 01773031)
Chairman

DECLARATION OF COMPLIANCE OF CODE OF CONDUCT

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management for the year ended 31st March, 2018.

Irinjalakuda
May 30, 2018

By Order of the Board
Sd/-

A. P. George
(DIN : 00106808)
Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Industry Structure and Development

In the Animal feed division, the cost of ingredients for animal feed was steady for the first half of 2017-18 and then declined further and remained steady at a lower level for rest of the year. The selling price of feed was also reduced to share the benefit of reduction in the ingredient prices with the farmers. However, in the process, the margins improved and the Animal feed division presented excellent results in terms of profit. The demand for our feed is growing and we are making arrangements to meet the additional demands. Prudent purchase policy, fine-tuning of selling price, trimming of overheads, etc. helped us to improve the performance.

Goods and Service Tax (GST) was introduced with effect from 1st July, 2017 and initially there was no tax on the major part of the feed ingredients. Later on GST was introduced for many of the items of feed ingredients like oiled rice bran and oiled and deoiled cakes. The processing charges paid to outsourced Units now attracts GST at 5%, which was nil under service tax regime. GST is applicable for Packing materials also. As the Animal Feed falls under exempted category in GST, we are unable to take input credit of the GST paid on purchases and services. This in turn had increased the cost of the ingredients, even though, we could manage the situation due to improved margins on feed as stated earlier.

In the Oil cake processing division, during 2017-18, the market price of coconut oil was around ₹ 120/kg. in the year beginning. Then the price started slowly rising and reached a level of around ₹ 190/kg. by January, 2018 and then settled around ₹ 180/kg. in the year end. We could import sizable quantity of copra cake at competitive rates during the year under report. The local arrival of copra cake was severely affected due to fall in yield of coconut in Kerala and Tamil Nadu. However, the local price of copra cake was under control with the help of imports at reasonable rates. The cake processing division performed well throughout the year with sustainable margin. GST has been introduced at 5 % on copra cake, deoiled copra cake, and on the oil extracted from it. Since all the outputs are taxable under GST, we are able to take input credit on the copra cake being purchased/imported.

In the Dairy division, though we could improve the volume of ice cream, the margin on ice cream was under severe strain. In February, 2017, the milk price has been increased by the Government of Kerala, by which the margin on the sale of milk could be improved. GST at 18% is applicable for ice cream and milk falls under the exempted category. We are taking all steps to further improve sales volume of ice cream and are taking steps to cut short the sale of unprofitable varieties on a continuous basis. By improving the sales volume of ice cream, we aim at increasing the capacity utilisation. New markets for ice cream are being explored by appointing new dealers at nearby towns which has started yielding results.

2. Opportunities and Threats

The advantages to your Company in cattle feed and cake processing industry are (1) its vast experience in those industries for over 44 years (2) its leadership in the market (3) acceptability of the feed and its quality standards in the market (4) prompt after-sales service and good customer relation (5) a lot of prestigious awards and recognitions to prove consistent quality and leadership (6) good network of dealership (7) talented technical and marketing personnel (8) judicious purchase of materials and (9) financial strength of the Company leading to better purchasing power helping to build up stock on favourable situations. The threats to the Company in these two segments are (1) competition from other manufacturers of organised and unorganised sectors (2) probable entry of multinational entities (3) surge in the fuel prices leading to increase in the price of ingredients (4) the volatile rupee Vs. dollar situation acts as a non-stimulant in import transactions (5) granting of subsidy by the Government on animal feed selectively avoiding private manufacturers (6) indirect control by Government over price of milk acts as a blockade, at times, to pass on the cost escalation to the consumers (7) switching of crop by farmers from oil seeds and grains (from which our ingredients are derived) to other crops (8) severe shortage in availability of manual local labour leads to increase in the cost of labour as these two segments are highly labour oriented and (9) import of cheaper oils for bulk consumption leading to fall in demand for refined coconut oil. Your Company is tackling these issues appropriately, by taking timely actions.

The advantages to your Company in Dairy segment are (1) reputation and brand image of the Company for the quality of its products and (2) financial strength of the Company helping to withstand the unhealthy market competitions. The threats to the industry are (1) unhealthy competition from small players dealing with inferior quality products and (2) entry of big players including multinational corporations in the segment catered by your Company (3) any steps by the Government to further increase GST on ice cream will take away the margin on sale of ice cream.

3. Segmentwise Productwise Performance

In year 2017-18, the sales volume of feed increased by 14.60 % on an year to year basis, from 4.65 lakhs tons to 5.33 lakhs tons. We hopefully believe that we can cross the 5.50 lakhs tons mark in the current year, based on the present level of demand for our feed. On the fall in the price of ingredients for the feed, the selling price of feed was also reduced to ease the difficulty of the farmers, but still the feed division could generate ₹ 66.64 crores as divisional profit compared to previous year figure of ₹ 10.74 crores.

In the Oil cake processing division, the availability of local copra cake was very much limited, as the yield of coconut has been highly affected in Kerala as well as in Tamil Nadu. In tune with the increase in the coconut oil price, the price of Copra cake also went up from around ₹ 23,000 to ₹ 29,500 per ton in January, 2018. As such, we had to mainly depend on imports, as local arrivals were limited and we made up about 50% of our requirement from imports. The imported copra cake were cheaper throughout the year, compared to local cake. But the quality of imported cake is relatively inferior against the quality of local cake. The market price of coconut oil during 2017-18 gradually increased from around ₹ 120/kg. in the year beginning and went up to above ₹ 190/kg. in January, 2018 and then eased at around ₹ 180/kg. level. Along with the increase in the sales volume of animal feed, the quantity of cake processed in year 2017-18 also improved by 4.80 % from 92,273 tons in the previous year to 96,709 tons in the year under report. Thus, the cake processing division reported a profit of ₹ 38.84 crores for the year 2017 -18 compared to a profit of ₹ 15.81 crores in the previous year.

The volume of sales of ice cream also improved by 7.20 % to 1217 kl. in 2017-18 compared to 1135 kl. in the previous year, by effective marketing, even though the margins on ice cream were under strain. The sustained margin in milk sales helped to improve the profit of Dairy division to ₹ 197.51 lakhs compared to previous year profit of ₹ 83.07 lakhs. We are taking all efforts to improve the production and sale volume of ice cream. The margin on sale of milk was a relief in the adverse situations and helped to improve the profitability of the Dairy Division. We are giving utmost attention for improving the utilisation of capacities in Konikkara, Thalayuthu and Vedagiri ice cream units and make the ice cream business more profitable.

4. Outlook

From November, 2017, the feed ingredient prices are stable and hence the feed division is generating reasonable profits. We have gradually reduced the selling price of feed also, in order to share the benefits of reduction in ingredient cost with the farmers and thereby to gain the confidence of them. The surge in demand for our feed is welcoming in such scenario as it will improve the capacity utilisation and plough in more revenue. We are making appropriate revisions in the selling price according to the ingredient prices keeping in consideration all the related situations. The increase in the milk price by Kerala Government in February, 2017 is expected to boost the cattle farming and thereby improve the demand for our feed. The selling price of coconut oil around ₹ 180/kg. and the average cost cake price around ₹ 24,000 per ton is consoling and encouraging. Imports of cake can be resorted to, as price of imported copra cake is steady and the quality also is better when brought in containers rather than as bulk. Giving consideration to all these, we reasonably expect a comparable performance in the Animal feed division and the Oil cake processing division in year 2018-19 also. The early summer rain and prediction of above-average monsoon rain is very encouraging and gives us hope for a good performance in year 2018-19. The Dairy division is expected to perform better in the year 2018-19 as the margin on milk is improving. We are taking all efforts to improve the volume of sale of ice cream in Konikkara, Thalayuthu and Vedagiri ice cream units and generate more revenue in the Dairy division.

5. Risks and Concerns

We are mainly depending on materials from northern States moved by rail for manufacturing the Animal Feed. Prediction of early monsoon and above average rain lifts our hopes that the price of ingredients to feed will remain at low, supported by good crop. As a result of decontrol in diesel price, railway freight and lorry freight has gone up, in tune with diesel price. The increase in transportation cost may push up the prices of all major ingredients, and it may affect the margins. We are suitably adjusting the selling price of animal feed, in tune with raw material price. At present, there is good demand for animal feed, both in Kerala and Tamil Nadu. The international price of copra cake imports is at reasonable levels and can be depended in case of need. It will be encouraging, if the price of coconut oil is steady above ₹ 180/kg. levels. The Dairy division is also expected to perform well by increased volume of ice cream sales with improved margin. No other risks or concerns are perceived by the management for the time being.

6. Internal Control Systems and their adequacy

The Company has adequate policies and procedures in place for its current size as well as the future growing needs. These policies and procedures play a pivotal role in the deployment of the internal controls. They are regularly reviewed to ensure both relevance and comprehensiveness, and compliance is ingrained into the management review process. There are adequate internal control systems in vogue in all spheres of operations of the Company so as to ensure safety to its assets against loss. These internal controls are designed in such a way to ensure adequate accounting and financial controls. The internal control system is being continuously reviewed by the management and adequate steps are taken for improvement, wherever felt. Internal audits are being carried out regularly in all the Units. The internal audit reports and the corrective actions taken for the shortcomings reported in those reports, if any, are being discussed in the meetings of the Audit Committee.

7. Financial and Operational Performance

The Revenue from Operations for the year 2017-18 improved by 24.50 % to ₹ 1304 crores from ₹ 1047 crores. The comparative increase in the Revenue from Operations for the previous year was 13.20 %. The over-all profit after tax improved to ₹ 69.63 crores in year 2017-18 compared to ₹ 16.36 crores in the preceding year. All the operational volumes have improved in year 2017-18.

The sale of cattle feed, in quantity terms, increased by 14.60 % on an year to year basis, from 4.65 lakhs tons to 5.33 lakhs tons. The feed division could generate ₹ 66.64 crores as divisional profit compared to previous year figure of ₹ 10.74 crores.

We could process 96,709 tons of copra cake in year 2017-18 and improve the volume by 4.80 % from in the previous year figure of 92,273 tons. The cake processing division reported a profit of ₹ 38.84 crores for the year 2017 -18 compared to a profit of ₹ 15.81 crores in the previous year.

The volume of sales of ice cream also improved by 7.20 % to 1217 kl. in 2017-18 compared to 1135 kl. in the previous year, by effective marketing, even though the margins on ice cream were under strain. The sustained margin in milk sales helped to improve the profit of Dairy division to ₹ 197.51 lakhs compared to previous year profit of ₹ 83.07 lakhs. We are taking all efforts to improve the production and sale volume of ice cream.

8. Industrial Relation

The Company has 875 employees on its rolls as on 31.3.2018. The Company is an exception to the adverse labour conditions existing in Kerala. There were no labour issues, in any of the Units of the Company during the year 2017-18. The long term settlements for a period of three years have been signed with the employees of Swaminathapuram, Palakkad and Koratty Units effective from 1st May, 2017, from 1st August, 2016 and from 1st January, 2017 respectively. Negotiation with Unions for similar long term settlements is in progress in the case of Vedagiri Unit from 1st April, 2017. The management is confident that amicable settlement can be arrived at by negotiations with the Unions of Vedagiri Unit. The management continues to maintain cordial industrial relation with its employees in all Units and is attending to their grievances with an open mind.

9. Caution

The views and statements expressed or implied in the Management Discussion and Analysis are based on the current available information, experience and our own judgement. There could be possibilities for alteration of situations. The Company's actual performance may differ as a result of unforeseen events on which the management has no direct control.

Irinjalakuda
May 30, 2018

By Order of the Board

Sd/-

Dr. Jose Paul Thaliyath
(DIN : 01773031)

Chairman

AUDITORS' COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of KSE Limited
(CIN: L15331KL1963PLC002028)
Irinjalakuda

We have examined the compliance of conditions of Corporate Governance by KSE Limited ("the Company") for the year ended 31st March 2018, as per Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") pursuant to the Listing Agreement of the said Company with the Stock Exchange.

The Compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of 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.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Service Engagements.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2), and paragraphs C, D and E of Schedule V of the Listing Regulations as applicable.

We further state that 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.

For **S. S. AYYAR & CO.**
Chartered Accountants, Kottayam
(Firm No. 050012 S)

Sd/-

CA. S.S Ayyar, F. C. A.
(M. No. 004846)
Partner

Irinjalakuda
May 30, 2018

INDEPENDENT AUDITORS' REPORT

To

The Members of KSE Limited
(CIN: L15331KL1963PLC002028)
Irinjalakuda

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of M/s KSE Limited (CIN:L15331KL1963PLC002028) ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies along with the Notes forming part of the accounts and other explanatory information (hereinafter referred to as "Ind AS financial statements") which we have signed under reference to this report.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the the state of affairs, the profit including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also 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; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS financial statements based on our audit.

In conducting 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 and the Order issued under section 143(11) of the Act.

We conducted our audit of the Ind AS financial statements, on a test check basis, 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements read together with the Notes thereon, 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 31st March, 2018, and its profit, including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Other Matter - Audit of comparative information vis-a-vis adjustments on account of transition to Ind AS

The comparative financial information of the Company for the year ended 31st March, 2017 and the transition date opening balance sheet as at 1st April, 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose reports for the years ended 31st March, 2017 and 31st March, 2016 dated 30th May, 2017 and 30th May, 2016 respectively, expressed an unmodified opinion on those financial statements. These financial statements were adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which are finalised by the management after discussions with the predecessor auditors and such adjustments on account of transition to Ind AS have been audited by us. Our opinion is not modified in respect of this matter.

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 section 143(11) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" to this report, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, based on our audit, we 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 purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, to the extent applicable;
 - (e) on the basis of the written representations received from the directors of the Company as on 31st March, 2018 taken on record by the Board of Directors, none of the directors of the Company is disqualified as on 31st March, 2018 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, our report is given in "Annexure B" to this report; and
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with 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 has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 33.6 to the Ind AS financial statements;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Irinjalakuda
May 30, 2018

Enclosures : Annexure A and Annexure B referred to above.

For **S. S. AYYAR & CO.**
Chartered Accountants, Kottayam
(Firm No. 050012 S)
Sd/-
CA. S.S Ayyar, F. C. A.
(M. No. 004846)
Partner

ANNEXURE “A” TO THE AUDITORS’ REPORT

(Referred to in paragraph 1 under “Report on Other Legal and Regulatory Requirements” section of our report to the members of KSE Limited of even date)

- (i) In respect of fixed assets -
- The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - We are informed that major items of the fixed assets of the Company have been physically verified by the management during the year, which, in our opinion is reasonable having regard to the size of the Company and the nature of its assets. We are also informed that no material discrepancies have been noticed on such verification.
 - According to the information and explanations given to us, the records of the company examined by us and the confirmation from financial lenders in respect of title deeds deposited with them and based on the details of land and buildings furnished to us by the company, the title deeds of immovable properties are held in the name of the Company.
- (ii) We are informed that the physical verification of inventory has been conducted at reasonable intervals by the management and that no material discrepancies were noticed on such verification.
- (iii) To the best of our knowledge and according to information and explanations given to us, 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.
- (iv) In our opinion and according to information and explanations given to us, the Company has not made any investment or granted any loans or given any security or given any guarantee for which the provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable.
- (v) In respect of deposits accepted by the Company from the public, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under, wherever applicable, have been complied with.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148 (1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues -
- According to the information and explanations furnished to us and according to our examination of the records of the Company, except for certain minor delays in remittance of undisputed income tax deducted at source, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.
 - According to the information and explanations given to us and as per the records of the Company examined by us, details of dues of income tax and sales tax or service tax or duty of custom or duty of excise or value added tax that have not been deposited with the relevant authorities, on account of dispute, as at 31st March 2018, are as shown below:

Name of the statute	Nature of the dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Kerala General Salestax Act, 1963	Sales tax	25.40	Financial year 2000-01	Asst. Commissioner (Assessment)
Kerala Value Added Tax Act, 2003	Value Added Tax	2.12	Financial year 2010-11	Deputy Commissioner (Appeals)
Central Excise Act, 1948	Central Excise Duty	34.52	Financial years 2014-15, 2015-16 and 2016-17	The Company has filed appeals before the Commissioner of Central Excise (Appeals).
Customs Act, 1962	Customs duty (excluding interest)	45.07	Financial year 2008-09	The Company has filed appeals before the Hon. High Court of Kerala.
		1.98	Financial year 2009-10	

- (viii) According to the information and explanations given to us and as per the records of the Company verified by us, the Company has not defaulted in repayment of loans or borrowings to the banks and financial institutions. The company has neither taken any loans or borrowings from government nor has any dues to debenture holders.
- (ix) According to the information and explanations given to us and on an overall examination of the records, we report that the Company has not raised any money by way of initial public offer or further public offer (including debt instruments). The company has not availed any term loans during the year.
- (x) While planning and performing audit procedures and evaluating and reporting the results thereof, we have considered the risk of material mis-statements in the financial statements resulting from fraud or error. However, due to the inherent limitations of an audit, there is an unavoidable risk that some material mis-statements of financial statements, on account of fraud or error, may not be detected even though the audit is properly planned and performed in accordance with the Standards on Auditing generally accepted in India. During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of material fraud by the Company or on the company by its officers or employees, noticed or reported during the year, nor have been informed of such case by the Management.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) The company is not a Nidhi Company. Accordingly, the reporting requirements under clause (xii) of paragraph 3 of the Order are not applicable.
- (xiii) According to the information and explanations given to us and the records of the Company examined by us, all transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details as required by the applicable Accounting Standards have been disclosed by the management in Note 33.10 to the financial statements.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and records of the Company, examined by us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us and the records of the Company examined by us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting requirement under clause (xvi) of paragraph 3 of the Order is not applicable.

Irinjalakuda
May 30, 2018

For **S. S. AYYAR & CO.**
Chartered Accountants, Kottayam
(Firm No. 050012 S)
Sd/-
CA. S.S Ayyar, F. C. A.
(M. No. 004846)
Partner

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 2(f) under “Report on Other Legal and Regulatory Requirements” section
of our report to the members of KSE Limited of even date)

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 M/s KSE Limited (CIN:L15331KL1963PLC002028) (“the Company”) as of 31st March, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls 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. 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. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We have also considered the fact that all the units of the company are subject to internal audit by external firms of Chartered Accountants and we are informed that the points arising in internal audit are being duly dealt with by the management.

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, to the best of our information and according to the explanations given to us, 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 31st March, 2018, 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.

Irinjalakuda
May 30, 2018

For **S. S. AYYAR & CO.**
Chartered Accountants, Kottayam
(Firm No. 050012 S)
Sd/-
CA. S.S Ayyar, F. C. A.
(M. No. 004846)
Partner

BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note No.	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs	As at 01.04.2016 ₹ in lakhs
A. ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment	2A	2,726.10	2,889.94	2,497.32
(b) Capital Work in Progress	2B	17.09	5.72	28.09
(c) Other Intangible Assets	2C	1.06	1.45	1.68
(d) Financial Assets				
(i) Investments	3	2.50	2.50	2.50
(ii) Loans	4	139.26	141.82	135.15
(iii) Other Financial Assets	5	1.14	0.43	1.19
(e) Other Non Current Assets	6	47.79	22.40	17.98
Total non-current assets		2,934.94	3,064.26	2,683.91
Current Assets				
(a) Inventories	7	9,051.89	7,432.00	7,299.72
(b) Financial Assets				
(i) Investments	8	8,333.13	3,510.33	—
(ii) Trade Receivables	9	17.20	10.83	8.92
(iii) Cash and Cash Equivalents	10	1,879.17	948.38	833.34
(iv) Bank Balances other than (iii) above	11	194.59	191.30	209.44
(v) Loans	12	139.44	117.79	114.01
(vi) Other Financial assets	13	16.73	10.61	11.82
(c) Other Current Assets	14	397.64	342.33	323.75
Total current assets		20,029.79	12,563.57	8,801.00
Total Assets		22,964.73	15,627.83	11,484.91
B. EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	15	320.00	320.00	320.00
(b) Other Equity	16	14,059.14	8,340.26	7,563.17
Total equity		14,379.14	8,660.26	7,883.17
Liabilities				
Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	17	561.67	669.83	617.31
(b) Provisions	18	—	57.69	47.25
(c) Deferred Tax Liabilities (Net)	19	98.62	24.21	(17.91)
Total non-current liabilities		660.29	751.73	646.65
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	20	3,461.88	3,021.86	243.87
(ii) Trade Payables	21	1,512.23	751.39	802.10
(iii) Other financial Liabilities	22	1,775.33	1,427.89	1,283.23
(b) Other Current Liabilities	23	686.88	835.50	556.74
(c) Current Tax Liabilities (Net)	24	488.98	179.20	69.15
Total current liabilities		7,925.30	6,215.84	2,955.09
Total Liabilities		8,585.59	6,967.57	3,601.74
Total Equity and Liabilities		22,964.73	15,627.83	11,484.91

Significant accounting Policies

1

Additional Information

33

The accompanying notes are integral part of the financial statements

Jose Paul Thaliyath
Chairman (DIN : 01773031) Sd/-

A.P. George
Managing Director (DIN : 00106808) Sd/-

As per our report of
even date attached

For **S. S. AYYAR & CO.**

Chartered Accountants, Kottayam
(Firm No. 050012 S)

R. Sankaranarayanan
Chief Financial Officer
and Company Secretary Sd/-

M.P. Jackson
Executive Director (DIN : 01889504) Sd/-

P.D. Anto
Director (DIN : 00106965) Sd/-

Sd/-
CA. S.S Ayyar, F. C. A.
(M. No. 004846)
Partner

May 30, 2018

Paul Francis
Director (DIN : 00382797) Sd/-

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

Particulars	Note No.	Year ended 31.03.2018 ₹ in lakhs	Year ended 31.03.2017 ₹ in lakhs
INCOME			
Revenue from operations		1,30,417.33	1,04,724.53
Other income	25	519.07	209.58
Total Income		1,30,936.40	1,04,934.11
EXPENSES			
Cost of Materials consumed	26	96,090.11	90,537.66
Purchases of stock-in-trade		10,555.20	—
Changes in inventories of finished goods	27	266.55	(353.00)
Employee benefits expense	28	4,677.23	4,129.54
Finance costs	29	119.91	201.53
Depreciation and amortisation expense	30	352.27	328.06
Other expenses	31	8,010.09	7,501.91
Total expenses		1,20,071.36	1,02,345.70
Profit before exceptional items and tax		10,865.04	2,588.41
Exceptional items		—	—
Profit before tax		10,865.04	2,588.41
Tax Expense			
Current tax		3,800.00	875.00
Relating to earlier years (net)		(20.72)	(11.64)
Deferred tax		123.05	89.03
		3,902.33	952.39
Profit for the year		6,962.71	1,636.02
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss Remeasurement of defined benefit obligation		(137.04)	(135.55)
(ii) Income tax relating to items that will not be reclassified to profit or loss		48.64	46.91
Total other comprehensive income (net of tax)		(88.40)	(88.64)
Total comprehensive income for the year comprising profit and other comprehensive income for the year		6,874.31	1,547.38
Basic and diluted earnings per equity share (₹)	32	217.58	51.13
Nominal value per equity share (₹)		10.00	10.00
Significant accounting policies	1		
Additional Information	33		

The accompanying notes are an integral part of the financial statements

Jose Paul Thaliyath
Chairman (DIN : 01773031) Sd/-

R. Sankaranarayanan
Chief Financial Officer
and Company Secretary Sd/-

May 30, 2018

A.P. George
Managing Director (DIN : 00106808) Sd/-

M.P. Jackson
Executive Director (DIN : 01889504) Sd/-

P.D. Anto
Director (DIN : 00106965) Sd/-

Paul Francis
Director (DIN : 00382797) Sd/-

As per our report of
even date attached
For **S. S. AYYAR & CO.**
Chartered Accountants, Kottayam
(Firm No. 050012 S)

Sd/-
CA. S. S. Ayyar, F. C. A.
(M. No. 004846)
Partner

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

A. EQUITY SHARE CAPITAL

	No. of Equity shares	Amount ₹ in lakhs
Equity shares of ₹ 10 each subscribed and fully paid up		
Balance as at the beginning on 1 st April, 2016	32,00,000	320.00
Changes in equity share capital during 2016-17	—	—
Balance as at 31 st March, 2017	32,00,000	320.00
Changes in equity share capital during 2017-18	—	—
Balance as at 31 st March, 2018	32,00,000	320.00

B. OTHER EQUITY

₹ in lakhs

Particulars	RESERVES AND SURPLUS						Items of other comprehensive income Remeasurement of defined benefit obligation (net of tax)	Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	Gratuity Reserve	General reserve	Retained Earnings		
As at 1 st April, 2016								
Balance at the beginning of the reporting period	78.18	3.00	162.24	154.97	5600.00	1,622.09	(57.31)	7,563.17
Profit for the year	—	—	—	—	—	1,636.02	—	1,636.02
Other comprehensive income net of taxes	—	—	—	—	—	—	(88.64)	(88.64)
Total comprehensive income	—	—	—	—	—	1,636.02	(88.64)	1,547.38
Dividends (including taxes)	—	—	—	—	—	(770.29)	—	(770.29)
Transfer to/(from) retained earnings	—	—	—	—	200.00	(200.00)	—	—
As at 31 st March, 2017	78.18	3.00	162.24	154.97	5,800.00	2,287.82	(145.95)	8,340.26
As at 1 st April, 2017								
Balance at the beginning of the reporting period	78.18	3.00	162.24	154.97	5,800.00	2,287.82	(145.95)	8,340.26
Profit for the year	—	—	—	—	—	6,962.71	—	6,962.71
Other comprehensive income net of taxes	—	—	—	—	—	—	(88.40)	(88.40)
Total comprehensive income	—	—	—	—	—	6,962.71	(88.40)	6,874.31
Dividends (including taxes)	—	—	—	—	—	(1,155.43)	—	(1,155.43)
Transfer to/(from) retained earnings	—	—	—	—	2,500.00	(2,500.00)	—	—
As at 31 st March, 2018	78.18	3.00	162.24	154.97	8,300.00	5,595.10	(234.35)	14,059.14

Significant accounting policies - See Note No. 1

Jose Paul Thaliyath
Chairman (DIN : 01773031)

Sd/-

A.P. George
Managing Director (DIN : 00106808)

Sd/-

M.P. Jackson
Executive Director (DIN : 01889504)

Sd/-

R. Sankaranarayanan
Chief Financial Officer
and Company Secretary

Sd/-

P.D. Anto
Director (DIN : 00106965)

Sd/-

Paul Francis
Director (DIN : 00382797)

Sd/-

May 30, 2018

As per our report of
even date attached
For **S. S. AYYAR & CO.**
Chartered Accountants, Kottayam
(Firm No. 050012 S)

Sd/-
CA. S.S. Ayyar, F. C. A.
(M. No. 004846)
Partner

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Year ended 31.03.2018 ₹ in lakhs	Year ended 31.03.2017 ₹ in lakhs
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	6,962.71	1,636.02
Adjustments for:		
Depreciation and amortisation expense	352.27	328.06
Finance costs	119.91	201.53
Tax Expense	3,902.33	952.39
Remeasurement of defined benefit plan	(137.04)	(135.55)
Net gain arising on investments - measured at fair value through profit or loss	(130.16)	(10.33)
Interest income from banks	(11.40)	(7.21)
Provision for employee benefits - Gratuity (gross - undiscounted)	—	10.44
Provision for employee benefits - Compensated Leave absences	8.53	—
Excess provision for doubtful advances written back	—	(4.00)
Bad debts written off	—	6.10
Irrecoverable advances written off	—	4.49
Sundry balances no more payable written back	—	(14.92)
Advances received from customers no more payable written back	—	(30.30)
Advances from customers written back in earlier years - refunded in current year	2.30	—
Gain on sale of current investments classified at fair value	(203.98)	(71.14)
Net gain on sale of property, plant and equipment	(2.61)	2.40
Operating profit before working capital changes	10,862.86	2,867.98
Adjustments for:		
Inventories	(1,619.89)	(132.28)
Trade receivables, loans & advances and other current assets	(84.83)	(37.33)
Trade payables, other current liabilities and provisions	764.36	433.76
Cash generated from operations	9,922.50	3,132.13
Income-tax paid	3,469.50	753.31
Net cash from / (used in) operating activities (a)	<u>6,453.00</u>	<u>2,378.82</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(209.52)	(700.10)
Sale of property, plant and equipment	18.67	0.12
Advance for purchase of property, plant and equipment	(31.34)	(9.40)
Purchase of investments	(15,500.00)	(8,700.00)
Redemption of investments	11,011.34	5,271.14
Bank deposits with long term maturity	(0.71)	0.76
Interest income from banks	7.04	10.20
Net cash used in investing activities (b)	<u>(4,704.52)</u>	<u>(4127.28)</u>

Particulars	Year ended 31.03.2018 ₹ in lakhs	Year ended 31.03.2017 ₹ in lakhs
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds /(repayment) of short-term bank borrowings	438.27	2,780.46
Acceptance of public deposits	280.47	306.85
Repayment of public deposits	(261.96)	(289.87)
Finance costs	(104.78)	(191.62)
Dividends paid (including dividend distribution tax)	(1,166.40)	(760.46)
Net cash from / (used in) financing activities (c)	(814.40)	1,845.36
D NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (a) + (b) + (c)	934.08	96.90
Cash and cash equivalents at the beginning of the year	1,139.68	1,042.78
Cash and cash equivalents at the close of the year	2,073.76	1,139.68
E NET INCREASE / (DECREASE) AS DISCLOSED ABOVE	934.08	96.90
Significant accounting policies - See Note 1		

Notes :

(a) The details of Cash and cash equivalents at the close of the year

Particulars	Note No.	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs	As at 01.04.2016 ₹ in lakhs
Cash and cash equivalents	10	1,879.17	948.38	833.34
Other Bank balances	11	194.59	191.30	209.44
Total		2,073.76	1,139.68	1,042.78

(b) Cash and cash equivalents include ₹ 94.73 lakhs (Previous year ₹ 105.70 lakhs) under unpaid dividend account with Banks, ₹ 95.00 lakhs (Previous year ₹ 81.00 lakhs) under deposit repayment reserve account and ₹ 4.86 lakhs (Previous year ₹ 4.61 lakhs) as margin money deposits against bank guarantees which are not available for immediate use.

Jose Paul Thaliyath
Chairman (DIN : 01773031)

Sd/-

A.P. George
Managing Director (DIN : 00106808)

Sd/-

M.P. Jackson
Executive Director (DIN : 01889504)

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Chief Financial Officer
and Company Secretary

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P.D. Anto
Director (DIN : 00106965)

Sd/-

Paul Francis
Director (DIN : 00382797)

Sd/-

May 30, 2018

As per our report of
even date attached
For **S. S. AYYAR & CO.**
Chartered Accountants, Kottayam
(Firm No. 050012 S)

Sd/-
CA. S.S. Ayyar, F. C. A.
(M. No. 004846)
Partner

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

GENERAL INFORMATION ABOUT THE COMPANY

KSE Limited ("the Company") is a public limited company incorporated under the Companies Act, 1956. The Company's registered office is situated at 27/277, Solvent Road, Irinjalakuda - 680 121, Kerala. The main activities of the Company are Manufacture of ready mixed cattle feed, extraction of oil from oil cakes using solvent extraction method and processing of milk and milk products.

The financial statements are approved for issue by the Company's Board of Directors on May 30, 2018.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation of Financial Statements

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

For all periods up to and including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with Accounting Standards notified under the Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP'). Detailed explanation on how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet, financial performance and cash flows is given under Note 33.

The Company has adopted all the Ind AS standards with effect from 1st April, 2016 in accordance with Ind AS 101 - First time adoption of Indian Accounting Standards, with April 1, 2016 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.2 Current / non-current classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/liability is held primarily for the purpose of trading;
- iv. the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

1.3 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 1.4. Accounting estimates may change from period to period. Actual results may differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.4 Critical accounting estimates

a. *Revenue recognition*

Sales are recognised on transfer of title of the goods to the customers. Other incomes are recognised on accrual basis except when there are significant uncertainties.

b. *Property, plant and equipment*

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of the asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

1.5 Revenue recognition

The Company derives revenue primarily from sale of ready mixed cattle feed, sale of oil and deoiled cakes extracted out of oil cakes using solvent extraction method and also from sale of milk and milk products.

- a) Sales have been recognised with the transfer of significant risk and rewards of ownership of the goods, with the company losing effective control or the right to managerial involvement thereon and the revenue (representing future economic benefit associated with the transaction) including cost incurred or to be incurred in respect of the transaction are measurable reliably and the recovery of the consideration is probable.
- b) Sales are measured at the fair value of consideration received or receivable. Sales recognized is net of Goods and Service Tax, rebates and discount.
- c) Other incomes have been recognised on accrual basis in the financial statements except when there are significant uncertainties.
- d) Dividend Income is accounted when the company's right to receive the payment is established, which is generally when the appropriate authority approves the dividend.

1.6 Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components). The cost of replacement spares/ major inspection relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

Depreciation on Tangible Assets has been provided on written down value method. The useful lives adopted are as prescribed in Schedule II of the Companies Act, 2013, except for leasehold land which is amortised over the period of lease. Capital Spares are depreciated based on useful life of each replaced part.

The company depreciates property, plant and equipment over their estimated useful lives using written down value method. The estimated useful lives of assets are as follows:

Buildings (other than factory buildings) - RCC Frame Structures	60 years
Buildings (other than RCC Frame Structure) and Factory Buildings	30 years
Continuous process plant	25 years
Other Plant and Machinery	15 years
Office equipment	5 years
Furniture and Fittings	10 years
Computers and data processing units	3-6 years
Vehicles (motor cars)	8 years

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

Repairs and maintenance costs are recognized in the Statement of Profit and Loss. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

1.7 Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

1.8 Financial instruments

1.8.1 Initial recognition

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular purchase and sale of financial assets are accounted for at trade date.

1.8.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts are more or less equal to the fair value due to the short maturity of these instruments.

b. Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

(i) Financial assets or financial liabilities, at fair value through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges.

Although the company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

(ii) Cash flow hedges

The company designates certain foreign exchange forward and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs.

The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to the Statement of Profit and Loss.

c. **Share capital - Ordinary Shares**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

1.8.3 ***Derecognition of financial instruments***

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

1.9 **Fair value of financial instruments**

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

For financial assets and liabilities maturing within one year from the balance sheet date and which are not carried at fair value, the carrying amounts are more or less equal to the fair value due to the short maturity of these instruments.

1.10 **Impairment**

a. *Financial assets*

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

b. *Non-financial assets*

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generation units to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. In such cases, the carrying amount of the asset is increased to its revised recoverable amount. However, such revised amount will not be exceeded beyond the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

1.11 Provisions, Contingent Liability and Contingent Assets

Disputed liabilities and claims against the company including claims raised by fiscal authorities pending in appeal for which no reliable estimate can be made and or involves uncertainty of the outcome of the amount of the obligation or which have remote chance for crystallisation are not provided for in accounts but disclosed by way of notes to the accounts.

However, present obligation as a result of past event with possibility of outflow of resources, when reliable estimation can be made of the amount of obligation, is recognized in accounts in terms of discounted value, if the time value of money is material using a current pre-tax rate that reflects the risk specific to the liability.

Contingent assets are not recognised in the accounts but are disclosed by way of notes to the accounts.

1.12 Foreign currency*Functional currency*

The functional currency of the company is the Indian rupee. These financial statements are presented in Indian rupees (rounded off to lakhs).

Transactions and translations

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realised upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cashflow items denominated in foreign currencies are translated into the functional currency using the exchange rate prevailing on the date of the transaction.

1.13 Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

1.14 Income tax and Deferred Tax

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognised directly in equity, in which case it is recognized in other comprehensive income. Income tax for current and prior periods is recognised at the amount using the tax rates as per the tax laws that have been enacted. Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year.

1.15 **Employee benefits**

A. Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognised in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

B. Post-employment benefits

(a) Defined contribution plans

Defined contribution plans are Provident Fund Scheme and Employees' State Insurance Scheme administered by the Government for all eligible employees. The Company's contributions to defined contribution plans are recognised in the Statement of Profit and Loss in the financial year to which they relate.

(b) Defined benefit gratuity plan

A Group Gratuity Trust under the name "KSE Employee's Group Gratuity Fund Trust" has been formed, which manages the funds transferred to the Trust by the Company for meeting its gratuity liability estimated by actuarial valuation and the payment of gratuity on retirement of the employees of the Company. The Trust has taken a policy under the Employee's Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India. The net present value of the obligation for gratuity benefits as determined on independent actuarial valuation, conducted annually using the projected unit credit method, as adjusted for unrecognised past services cost, if any, and as reduced by the fair value of plan assets, is recognised in the accounts of the Company.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability/ (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

Gratuity in respect of whole-time directors is provided for on gross undiscounted basis and charged to Statement of Profit and Loss.

C. Other long term employee benefits

The company has a scheme for compensated absences for eligible employees. The company makes contributions to the Scheme of the Life Insurance Corporation of India. The net present value of the obligation for compensated absences as determined on independent actuarial valuation, conducted annually using the projected unit credit method and as reduced by the fair value of plan assets, is recognised in the accounts. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

1.16 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows of the Company are segregated into operating, investing and financing activities.

1.17 Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

1.18 Leases

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight line basis in the Statement of Profit and Loss over the lease term.

1.19 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

1.20 Inventories

Inventories as at the close of the year are valued at lower of cost or net realisable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by item basis. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition, determined on the following methods:

- (a) Raw materials - First In First Out (FIFO)
- (b) Packing materials - First In First Out (FIFO)
- (c) Stores & spares and consumables:
 - i. Furnace Oil, Diesel and Boiler Fuel - First In First Out (FIFO)
 - ii. Others - At weighted average cost

1.21 Operating Segments

The Company's reportable segments (business segments) have been identified as (a) Animal Feed Division (b) Oil Cake Processing Division, which includes vegetable oil refining also and (c) Dairy Division comprising milk and milk products including ice cream. There are no reportable geographical segments. Segment revenue, segment results, segment assets and segment liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable estimate. The Operating segments have been identified on the basis of the nature of products/services.

Segment revenue includes sales and other income directly identifiable with the segment including inter-segment revenue. Expenses that are directly identifiable with the segments are considered for determining the segment results. Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure. Income which relates to the Company as a whole and not allocable to segments is included in unallocable income. Segment result includes margins on inter-segment sales which are reduced in arriving at the profit before tax of the Company. Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

1.22 Government Subsidy/ Grant

Government Grant is recognized only when there is a reasonable assurance that the entity will comply with the conditions attaching to them and the grants will be received.

- a) Subsidy related to assets is recognized as deferred income which is recognized in the statement of profit & loss on systematic basis over the useful life of the assets.

Purchase of assets and receipts of related grants are separately disclosed in statement of cash flow.

- b) Grants related to income are treated as other income in statement of profit and loss subject to due disclosure about the nature of grant.

1.23 Recent accounting pronouncements

Standards issued but not yet effective

In March 2018, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying Ind AS 115, Revenue from contracts with customers, Appendix B to Ind AS 21, Foreign currency transactions and advance consideration and amendments to certain other standards. These amendments are in line with the recent amendments made by International Accounting Standards Board (IASB). These amendments are applicable to the Company from 1st April, 2018. The Company will be adopting the amendments from their effective date.

Ind AS 115, Revenue from contracts with customers

Ind AS 115 supersedes Ind AS 11, Construction contracts and Ind AS 18, Revenue. Ind AS 115 requires an entity to report information regarding nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with customers. The principle of Ind AS 115 is that an entity should recognise revenue that demonstrates the transfer of promised goods and services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard can be applied either retrospectively to each prior reporting period presented or can be applied retrospectively with recognition of cumulative effect of contracts that are not completed contracts at the date of initial application of the Standard.

The company has evaluated the disclosure requirements of the amendment and the effect on the financial statements is not expected to be material.

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration

The appendix clarifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration towards such assets, expenses or income. If there are multiple payments or receipts in advance, then an entity must determine transaction date for each payment or receipts of advance consideration.

The impact of the Appendix on the financial statements, as assessed by the Company, is expected to be not material.

2A. PROPERTY, PLANT AND EQUIPMENT

₹ in lakhs

	Gross Carrying Value				Depreciation			Net Carrying Value	
	Cost as at 01.04.2017	Additions	Sales/ Adjustments	Cost as at 31.03.2018	Up to 01.04.2017	For the year	Sales/ Adjustments	Up to 31.03.2018	As at 31.03.2018
Freehold Land	882.93	—	—	882.93	—	—	—	—	882.93
Leasehold Land	91.48	—	—	91.48	1.21	1.20	—	2.41	89.07
Buildings	920.14	17.32	—	937.46	115.51	120.28	—	235.79	701.67
Plant and Equipment	1,158.26	93.88	8.96	1,243.18	156.30	182.78	2.86	336.22	906.96
Furniture and Fixtures	6.42	0.04	—	6.46	1.95	1.33	—	3.28	3.18
Vehicles	140.42	80.84	17.45	203.81	44.50	39.09	7.54	76.05	127.76
Office Equipment	16.25	12.02	0.12	28.15	6.49	7.21	0.08	13.62	14.53
Total Tangible Assets	3,215.90	204.10	26.53	3,393.47	325.96	351.89	10.48	667.37	2,726.10

	Deemed cost as at 01.04.2016	Additions	Sales/ Adjustments	Cost as at 31.03.2017	Up to 01.04.2016	For the year	Sales/ Adjustments	Up to 31.03.2017	As at 31.03.2017
Freehold Land	850.58	32.75	0.40	882.93		—	—	—	882.93
Leasehold Land	91.48	—	—	91.48		1.21	—	1.21	90.27
Buildings	812.72	110.98	3.56	920.14		115.59	0.08	115.51	804.63
Plant and Equipment	586.79	572.64	1.17	1,158.26		156.33	0.03	156.30	1,001.96
Furniture and Fixtures	6.26	0.16	—	6.42		1.95	—	1.95	4.47
Vehicles	140.42	—	—	140.42		44.50	—	44.50	95.92
Office Equipment	9.07	7.18	—	16.25		6.49	—	6.49	9.76
Total Tangible Assets	2,497.32	723.71	5.13	3,215.90		326.07	0.11	325.96	2,889.94

2B. CAPITAL WORK IN PROGRESS

Particulars	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs	As at 01.04.2016 ₹ in lakhs
Buildings	—	—	0.76
Plant and Equipment	17.09	4.11	27.33
Office Equipment	—	1.61	—
Total	17.09	5.72	28.09

2C. OTHER INTANGIBLE ASSETS

₹ in lakhs

	Gross Carrying Value				Depreciation				Net Carrying Value
	Cost as at 01.04.2017	Additions	Sales/ Adjustments	Cost as at 31.03.2018	Up to 01.04.2017	For the year	Sales/ Adjustments	Up to 31.03.2018	As at 31.03.2018
Softwares	3.44	—	—	3.44	1.99	0.38	—	2.38	1.06
Total	3.44	—	—	3.44	1.99	0.38	—	2.38	1.06
	Gross Carrying Value				Depreciation				Net Carrying Value
	Deemed cost as at 01.04.2016	Additions	Sales/ Adjustments	Cost as at 31.03.2017	Up to 01.04.2016	For the year	Sales/ Adjustments	Up to 31.03.2017	As at 31.03.2017
Softwares	1.68	1.76	—	3.44	—	1.99	—	1.99	1.45
Total	1.68	1.76	—	3.44	—	1.99	—	1.99	1.45

Note: The Company has elected to continue with the carrying value of all of its Property, Plant and Equipment and Other Intangible Assets recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date. Accordingly, the net carrying value of Property, Plant and Equipment aggregating to ₹ 2497.32 lakhs comprising of carrying value of following assets and Intangible assets of ₹ 1.68 lakhs as on 01.04.2016 is considered as the deemed cost of the respective Property, Plant and Equipment and Intangible Assets:

	As at 01-04-2016 (₹ in lakhs)		
	Gross Carrying Value	Accumulated Depreciation/Amortisation	Net Carrying Value
Freehold Land	850.58	—	850.58
Leasehold Land	105.60	14.12	91.48
Buildings	2,581.84	1,769.12	812.72
Plant and Equipment	3,963.84	3,377.05	586.79
Furniture and Fixtures	103.21	96.95	6.26
Vehicles	216.49	76.07	140.42
Office Equipment	154.30	145.23	9.07
Total Tangible Assets	7,975.86	5,478.54	2,497.32
Intangible Assets - Softwares	69.93	68.25	1.68

3. INVESTMENTS - NON CURRENT

Particulars	Face value each ₹	No. of Shares	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
			₹ in lakhs	₹ in lakhs	₹ in lakhs
a) Investments at amortised cost	—	—	—	—	—
b) Investments at fair value through other comprehensive income					
Investment in Equity Instruments - (Non-trade)					
at cost (fully paid up - Unquoted)					
i) Jeevan Telecasting Corporation Ltd.	1,000	200	2.00	2.00	2.00
ii) Kerala Enviro Infrastructure Ltd.	10	5,000	0.50	0.50	0.50
iii) Cochin Waste 2 Energy Private Ltd.	10	50,000	5.00	5.00	5.00
Less : Provision for diminution in value			(5.00)	(5.00)	(5.00)
iv) Coconut Oil & Copra Producers' Co-Op. Society Ltd.	100	1	0.00	0.00	0.00
c) Investments at fair value through profit or loss			—	—	—
Total			2.50	2.50	2.50

Note 3.1 The carrying amounts of the above non-current investments are more or less equal to the fair value and hence reported at carrying amounts.

4. LOANS - NON CURRENT

Particulars	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs	As at 01.04.2016 ₹ in lakhs
Unsecured, considered good			
a) Security Deposits	111.52	105.11	96.62
b) Other Loans - Loans to Employees	27.74	36.71	38.53
Total	139.26	141.82	135.15

5. OTHER FINANCIAL ASSETS - NON CURRENT

Particulars	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs	As at 01.04.2016 ₹ in lakhs
Bank deposits with maturity of more than 12 months	1.14	0.43	1.19
	1.14	0.43	1.19

Note 5.1 The above bank deposits represent restricted bank balances held as margin money deposits against guarantees.

6. OTHER NON CURRENT ASSETS

Particulars	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs	As at 01.04.2016 ₹ in lakhs
Unsecured, considered good			
Capital Advances	47.79	22.40	17.98
	47.79	22.40	17.98

7. INVENTORIES

Particulars	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs	As at 01.04.2016 ₹ in lakhs
Raw materials	7,038.65	5,261.18	5,503.40
Finished goods	1,264.25	1,530.80	1,177.80
Packing Materials	400.52	312.02	300.06
Stores and spares	348.47	328.00	318.46
	9,051.89	7,432.00	7,299.72

Note 7.1 See Note 1.20 for method of valuation of inventories.

Note 7.2 Raw material include goods in transit amounting to ₹ 131.17 lakhs (previous year Nil).

8. INVESTMENTS - CURRENT

Particulars	Face value each ₹	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
		No. of Units	₹ in lakhs	No. of Units	₹ in lakhs	No. of Units	₹ in lakhs
a) Investments at amortised cost	—	—	—	—	—	—	—
b) Investments at fair value through other comprehensive income	—	—	—	—	—	—	—
c) Investments at fair value through profit or loss In Units of Mutual Funds - (Non-trade) At Fair Value (Fully paid - Unquoted)							
i. ICICI Prudential Liquid - Direct Plan - Growth	100	—	—	831099.407	2000.60	—	—
ii. ICICI Prudential Savings fund - Direct Plan - Growth	100	968267.885	2,617.66	201923.116	508.41	—	—
iii. UTI-Floating Rate Fund-STP-Direct Growth Plan	1000	89868.852	2,616.08	36839.288	1001.32	—	—
iv. LIC MF Liquid Fund - Direct Plan - Growth	1000	98345.196	3,099.39	—	—	—	—
Total			8,333.13		3,510.33		—
Aggregate amount of unquoted investments at cost			8,202.97		3,500.00		—

9. TRADE RECEIVABLES

Particulars	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs	As at 01.04.2016 ₹ in lakhs
(i) Considered good			
Secured	1.88	2.65	4.02
Unsecured	15.32	8.18	4.90
Sub-total	17.20	10.83	8.92
(ii) Considered doubtful - Unsecured	1.59	1.59	1.59
Less: Provision for doubtful debts	(1.59)	(1.59)	(1.59)
Sub-total	—	—	—
Total	17.20	10.83	8.92

10. CASH AND CASH EQUIVALENTS

Particulars	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs	As at 01.04.2016 ₹ in lakhs
Balances with Banks	1,844.36	908.34	777.17
Cheques/drafts on hand	9.05	20.50	18.57
Cash on hand	25.73	19.53	37.56
Stamps on hand	0.03	0.01	0.04
Total	1,879.17	948.38	833.34

11. OTHER BANK BALANCES

Particulars	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs	As at 01.04.2016 ₹ in lakhs
Balances with Banks			
in current accounts	94.73	105.70	95.87
in deposit accounts	99.86	85.60	113.57
Total	194.59	191.30	209.44

Note 11.1 Balances with banks include restricted bank balances of ₹ 194.59 lakhs (Previous year ₹ 191.30 lakhs). The restrictions are primarily on account of bank balances held as margin money deposits against guarantees ₹ 4.86 lakhs (Previous year ₹ 4.60 lakhs) and earmarked bank balances for (1) unpaid dividends ₹ 94.73 lakhs (Previous year ₹ 105.70 lakhs) and (2) deposit repayment reserve account ₹ 95.00 lakhs (Previous year ₹ 81.00 lakhs).

12. LOANS - CURRENT

Particulars	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs	As at 01.04.2016 ₹ in lakhs
Unsecured, considered good			
Other Loans - Advances to Employees	139.44	117.79	114.01
	139.44	117.79	114.01

13. OTHER FINANCIAL ASSETS - CURRENT

Particulars	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs	As at 01.04.2016 ₹ in lakhs
Unsecured, considered good			
Interest accrued on bank deposits	10.22	5.86	8.85
Interest accrued on loans to employees	6.49	4.73	2.94
Others	0.02	0.02	0.03
	16.73	10.61	11.82

14 OTHER CURRENT ASSETS

Particulars	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs	As at 01.04.2016 ₹ in lakhs
Advances recoverable in cash or in kind or for value to be received			
(a) Unsecured - Considered Good			
- Prepaid Expenses	226.05	266.03	206.88
- Balance with government authorities	102.79	21.23	21.21
- Other Advances	68.80	55.07	95.66
(b) Unsecured - Considered Doubtful	—	—	5.18
Less : Provision for doubtful advances	—	—	(5.18)
Total	397.64	342.33	323.75

15. SHARE CAPITAL

Particulars	Par value each ₹	Number of shares	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs	As at 01.04.2016 ₹ in lakhs
Authorised:					
Equity shares	10	99,40,000	994.00	994.00	994.00
13.50 % Redeemable cumulative preference shares	100	6,000	6.00	6.00	6.00
		99,46,000	1,000.00	1,000.00	1,000.00
Issued:					
Equity shares	10	32,02,820	320.28	320.28	320.28
Subscribed and Paid up:					
Equity shares	10	32,00,000	320.00	320.00	320.00
Note 15.1	Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year				
	Outstanding at the beginning of the year		32,00,000	320.00	320.00
	Changes in equity share capital during the year		—	—	—
	Outstanding at the end of the year		32,00,000	320.00	320.00

- Note 15.2 Terms/rights, Preferences and Restrictions attached to equity shares:
The Company has only one class of shares referred to as equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in the case of interim dividend, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.
The Board of directors has recommended a final dividend of ₹ 60 per equity share of ₹ 10 each, subject to approval of shareholders at the ensuing annual general meeting.
In the case of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential claims as provided in the Companies Act, 2013. The distribution will be in proportion to the number of equity shares held by the shareholders.

- Note 15.3 Details of shareholders holding more than 5 % of the equity shares:

	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	Number of shares	% of holding	Number of shares	% of holding	Number of shares	% of holding
PJD Properties and Investments P. Ltd.	5,60,900	17.53%	5,45,600	17.05%	5,45,031	17.03%

- Note 15.4 There was no fresh issue or buying back of shares in the preceding five years.

- Note 15.5 There was neither bonus issue nor any other issue of shares in the preceding five years.

16. OTHER EQUITY

Particulars	As at 31.03.2018 ₹ in lakhs		As at 31.03.2017 ₹ in lakhs		As at 01.04.2016 ₹ in lakhs	
Capital Reserve		78.18		78.18		78.18
Capital Redemption Reserve		3.00		3.00		3.00
Securities Premium Reserve		162.24		162.24		162.24
Gratuity Reserve		154.97		154.97		154.97
General Reserve						
Balance at the beginning of the year	5,800.00		5,600.00		5,500.00	
Add : Transfer from Retained Earnings	2,500.00	8,300.00	200.00	5,800.00	100.00	5,600.00
Retained Earnings						
Balance at the beginning of the year	2,141.87		1,564.78		1,732.97	
Add : Profit for the year	6,962.71		1,636.02		759.41	
Less : Remeasurement of defined benefit obligation, net of tax	(88.40)		(88.64)		(57.31)	
Less : Transfer to General Reserve	(2,500.00)		(200.00)		(100.00)	
Less : Dividend	(960.00)		(640.00)		(640.00)	
Less : Dividend distribution tax	(195.43)	5,360.75	(130.29)	2,141.87	(130.29)	1,564.78
Total		14,059.14		8,340.26		7,563.17

Note 16.1 The Board of Directors of the company has proposed final dividend of ₹ 60 per share, which is subject to approval by the shareholders at the ensuing Annual General Meeting. The total proposed dividend for the year ended 31st March, 2018 amounts to ₹ 2314.66 lakhs, including dividend distribution tax of ₹ 394.66 lakhs.

17. BORROWINGS - NON CURRENT

Particulars	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs	As at 01.04.2016 ₹ in lakhs
Public Deposits - Unsecured	561.67	669.83	617.31
Total	561.67	669.83	617.31

Note 17.1 See Note 22 for current maturities of long-term debt.

Note 17.2 Public Deposits were accepted under the Companies (Acceptance of Deposits) Rules, 2014. Rate of interest and terms of repayment of Public Deposits are as under:

	Rate of Interest	Balance as on 31.03.2018 ₹ in lakhs	Balance as on 31.03.2017 ₹ in lakhs	Balance as on 01.04.2016 ₹ in lakhs
(a) One year	8.00 % p.a.	7.09	5.34	3.47
(b) One year	9.00 % p.a.	—	—	4.34
(c) Two years	9.00 % p.a.	14.89	12.13	0.10
(d) Two years	10.00 % p.a.	—	2.63	20.31
(e) Three years	10.00 % p.a.	724.59	458.05	169.63
(f) Three years	11.00 % p.a.	192.85	442.76	706.08
Total		939.42	920.91	903.93

Note 17.3 Public Deposits include deposits accepted from Directors ₹ 1.66 lakhs (Previous year ₹ 2.75 lakhs) on the same terms and conditions as applicable to other depositors.

18. PROVISIONS - NON CURRENT

Particulars	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs	As at 01.04.2016 ₹ in lakhs
Provision for employee benefits - Gratuity (gross - undiscounted)	—	57.69	47.25
Total	—	57.69	47.25

19 DEFERRED TAX LIABILITIES(NET)

Particulars	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs	As at 01.04.2016 ₹ in lakhs
Deferred tax (assets)/liabilities in relation to :			
Property, plant and equipment and intangible assets	17.76	3.71	(54.88)
Provision for employee benefits	59.10	56.70	39.31
Investments	45.48	3.58	—
Others	(23.72)	(39.78)	(2.34)
Deferred tax (assets) /liabilities (net)	98.62	24.21	(17.91)

Also see Note 33.5 (ii)

20. BORROWINGS - CURRENT

Particulars	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs	As at 01.04.2016 ₹ in lakhs
Loans repayable on demand from Banks - Secured			
- Cash credit	3,454.79	3016.52	236.06
Public Deposits - Unsecured	7.09	5.34	7.81
Total	3,461.88	3,021.86	243.87

Note 20.1 The cash credit facility is secured by (1) First Charge by way of hypothecation of all current assets of the Company and Plant and Machinery of Irinjalakuda and Konikkara Units; and (2) Equitable mortgage of immovable properties of Irinjalakuda and Konikkara Units by deposit of title deeds.

Note 20.2 See Note 17.2 for rate of interest and terms of repayment of public deposits.

21. TRADE PAYABLES

Particulars	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs	As at 01.04.2016 ₹ in lakhs
Total outstanding dues of micro enterprises and small enterprises	13.56	4.55	2.70
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,498.67	746.84	799.40
Total	1,512.23	751.39	802.10

Note 21.1 The amount due to Micro, Small and Medium Enterprises as defined in the “The Micro, Small and Medium Enterprises Development Act, 2006” has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro, Small and Medium Enterprises are as under:

	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs	As at 01.04.2016 ₹ in lakhs
(i) Principal amount due and remaining unpaid to any supplier as at the end of each accounting year	13.56	4.55	2.70
(ii) Interest due on the above and remaining unpaid to any supplier as at the end of each accounting year	—	—	—
(iii) Interest paid by the company along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	—	—	—
(iv) 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 the Act	—	—	—
(v) Interest accrued and remaining unpaid at the end of each accounting year	—	—	—
(vi) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	—	—	—

22. OTHER FINANCIAL LIABILITIES - CURRENT

Particulars	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs	As at 01.04.2016 ₹ in lakhs
Current Maturities of long-term debt			
- Public Deposits - Unsecured	370.66	245.74	278.81
Interest accrued but not due on public deposits	120.16	105.03	95.12
Unpaid dividend	94.73	105.70	95.87
Unpaid matured deposits and interest accrued thereon	0.80	0.62	0.53
Employee benefits expense payable	803.14	763.27	514.99
Creditors for expenses	385.84	207.53	297.91
Total	1,775.33	1,427.89	1,283.23

Note 22.1 Public Deposits include deposits accepted from Directors ₹ 1.75 lakhs (Previous year ₹ 0.48 lakh) on the same terms and conditions as applicable to other depositors.

Note 22.2 Interest accrued but not due on public deposits includes ₹ 0.04 lakh (Previous year ₹ 0.16 lakh) due to Directors.

Note 22.3 See Note 17.2 for rate of interest and terms of repayment of public deposits.

23. OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs	As at 01.04.2016 ₹ in lakhs
Security deposits	111.04	109.09	101.24
Advance from customers	366.36	425.09	318.52
Advance received against sale of property	—	—	2.50
Statutory and other dues	209.48	301.32	134.48
Total	686.88	835.50	556.74

24. CURRENT TAX LIABILITIES (NET)

Particulars	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs	As at 01.04.2016 ₹ in lakhs
Taxation (net of advance tax)	488.98	179.20	69.15
Total	488.98	179.20	69.15

25. OTHER INCOME

Particulars	Year ended 31.03.2018 ₹ in lakhs	Year ended 31.03.2017 ₹ in lakhs
Interest income		
- from banks (TDS ₹ 0.92 lakh - Previous year ₹ 1.01 lakhs)	11.40	7.21
- from others (TDS ₹ 0.66 lakh - Previous year ₹ 0.67 lakh)	19.92	20.15
	31.32	27.36
Gain on sale of investments classified at fair value through profit and loss	203.98	71.14
Net gain arising on investments measured at fair value through profit and loss	130.16	10.33
Income from wind energy	72.96	—
Insurance claim received	0.42	1.61
Excess provision for doubtful advances written back	—	4.00
Net gain on sale of property, plant and equipment	2.61	—
Sundry balances no more payable written back	—	14.92
Advances received from customers no more payable written back	—	30.30
Miscellaneous income	77.62	49.92
Total	519.07	209.58

26. COST OF MATERIALS CONSUMED

Particulars	Year ended 31.03.2018 ₹ in lakhs	Year ended 31.03.2017 ₹ in lakhs
Opening Stock	5261.18	5,503.40
Purchases	97736.41	90,295.44
	102997.59	95,798.84
Less : Closing stock	6907.48	5,261.18
Cost of Material consumed	96,090.11	90,537.66

27.CHANGES IN INVENTORIES OF FINISHED GOODS

Particulars	Year ended 31.03.2018 ₹ in lakhs	Year ended 31.03.2017 ₹ in lakhs
Opening Stock	1,530.80	1,177.80
Closing Stock	1,264.25	1,530.80
Changes in inventories of finished goods	266.55	(353.00)

28.EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended 31.03.2018 ₹ in lakhs	Year ended 31.03.2017 ₹ in lakhs
Remuneration and benefits to Employees and Directors		
Salary, wages, gratuity and bonus	3,771.67	3,488.89
Contribution to Provident Fund	300.51	245.78
Contribution to Employees' State Insurance Corporation	65.91	46.42
Contribution to KSE Ltd. Employees' Group Gratuity Fund Trust	83.99	67.89
Staff welfare expenses	455.15	280.56
Total	4,677.23	4,129.54

29.FINANCE COSTS

Particulars	Year ended 31.03.2018 ₹ in lakhs	Year ended 31.03.2017 ₹ in lakhs
Interest Expenses		
- on Cash Credit	12.55	28.33
- on Public Deposits	107.09	106.64
- on Others	— 119.64	66.31 201.28
Other Borrowing Costs	0.27	0.25
Total	119.91	201.53

Note 29.1: Interest Expenses on Public Deposits include ₹ 0.35 lakh (Previous year ₹ 0.35 lakh) being interest paid on deposits accepted from Directors.

30.DEPRECIATION AND AMORTISATION EXPENSES

Particulars	Year ended 31.03.2018 ₹ in lakhs	Year ended 31.03.2017 ₹ in lakhs
Tangible Assets	351.89	326.07
Intangible Assets	0.38	1.99
Total	352.27	328.06

31. OTHER EXPENSES

Particulars	Year ended 31.03.2018 ₹ in lakhs	Year ended 31.03.2017 ₹ in lakhs
Processing charges	1,451.40	1,546.68
Packing materials consumed	2,723.01	2,727.87
Power and fuel	1,499.88	1,341.46
Freight	626.33	412.79
Stores and spares consumed	637.00	559.82
Rent (See Note 33.8)	11.43	11.63
Rates and taxes	68.46	99.78
Repairs		
Plant and machinery	37.18	48.50
Building	17.65	21.61
Vehicles	11.15	13.96
Others	215.26	257.34
Travelling and conveyance	52.96	44.00
Advertisement and Sales promotion (See Note 33.20)	253.77	156.59
Postage and telephone	33.68	29.00
Printing and stationery	27.00	25.93
Insurance	53.55	30.89
Sitting fees to Directors	20.58	16.41
Payments to Auditors and expenses		
For Audit	5.00	13.00
For Tax audit	1.00	0.70
For Sales-tax audit/GST Audit	1.00	1.00
For Taxation matters	—	0.78
For Limited Review	2.00	1.80
For Certification works	0.50	0.57
Travelling and out-of-pocket expenses	1.19	4.73
GST on the above	0.40	2.49
Professional charges	58.82	30.49
Commission and Brokerage	0.05	0.38
Bank Charges	19.40	25.25
Loss on sale of fixed assets (net)	—	2.40
Loss on exchange rate fluctuation (net)	12.27	6.26
Corporate Social Responsibility Expenditure	60.25	59.54
Irrecoverable advances written off	—	4.49
Advances written back in earlier years refunded in current year	2.30	—
Bad debts written off	—	6.10
General charges	105.62	81.74
Total	8,010.09	7,501.91

32. EARNINGS PER SHARE

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Profit for the year as per the statement of Profit and Loss (₹ in lakhs)	6,962.71	1,636.02
Number of Equity Shares	32,00,000	32,00,000
Basic and diluted earnings per share (₹)	217.58	51.13

33. ADDITIONAL INFORMATION

33.1 Fair Value Measurement

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature.

There were no transfers between Level 1 and Level 2 during the year.

Fair value hierarchy of financial instruments measured at fair value on a recurring basis is as follows:

Particulars	Fair value Hierarchy	Fair Value (₹ in lakhs)		
		As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Financial Assets measured at Fair value through Other Comprehensive Income Investments in Equity shares - Unquoted	3	2.50	2.50	2.50
Financial Assets measured at Fair value through Profit or Loss Investment in Mutual Funds - Unquoted	2	8,333.13	3,510.33	-

Category wise classification of financial instruments is as follows:

Particulars	Refer Note	Fair Value (₹ in lakhs)		
		As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Financial Assets measured at Fair value through Other Comprehensive Income				
Investments in Equity shares - Unquoted (Non current)	3	2.50	2.50	2.50
Financial Assets measured at Fair value through Profit or Loss				
Investment in Mutual Funds - Unquoted (Current)	8	8,333.13	3,510.33	-
Financial Assets measured at amortised cost				
Non current:				
i. Loans	4	139.26	141.82	135.15
ii. Other Financial Assets	5	1.14	0.43	1.19
Current:				
i. Trade receivables	9	17.20	10.83	8.92
ii. Bank balances other than cash and cash equivalents	11	194.59	191.30	209.44
iii. Loans	12	139.44	117.79	114.01
iv. Other Financial Assets	13	16.73	10.61	11.82
v. Cash and cash equivalents	10	1,879.17	948.38	833.34
		10,723.16	4,933.99	1,316.37
Financial Liabilities measured at amortised cost				
Non Current:				
i. Borrowings	17	561.67	669.83	617.31
Current:				
i. Borrowings	20	3,461.88	3,021.86	243.87
ii. Trade payables	21	1,512.23	751.39	802.10
iii. Other financial liabilities	22	1,775.33	1,427.89	1,283.23
		7,311.11	5,870.97	2,946.51

Financial Risk Management - Objectives and Policies

The Company has a well-managed risk management framework, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as liquidity risk, market risk, credit risk and foreign currency risk) that may arise as a consequence of its business operations as well as its investing and financing activities.

Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable risk parameters in a disciplined and consistent manner and in compliance with applicable regulation.

1) Liquidity Risk

Liquidity risk is the risk that the Company will encounter due to difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The company has sound financial strength represented by its aggregate current assets including current investments as against aggregate current liabilities and its strong equity base. In such circumstances, liquidity risk is insignificant.

2) Market Risk

As the Company's overall debt is less compared to its equity, the exposure to interest rate risk from the perspective of Financial Liabilities is negligible. Further, treasury activities, focused on managing investments in debt instruments, are administered under a set of approved policies and procedures guided by the tenets of liquidity, safety and returns. This ensures that investments are only made within acceptable risk parameters after due evaluation. The Company's investments are predominantly held in fixed deposits and debt mutual funds. Fixed deposits are held with highly rated banks and have a short tenure and are not subject to interest rate volatility. The Company also invests in mutual fund under schemes of leading fund houses. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of most of the mutual fund schemes in which the Company has invested, such price risk is not significant.

3) Credit Risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investment in mutual funds, derivative financial instruments, other balances with banks and other receivables.

The Company has adopted a policy of only dealing with counterparties that have sufficiently high credit rating. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties. Credit risk arising from investment in mutual funds, derivative financial instruments and other balances with banks is limited because the counterparties are banks and recognized financial institutions with high credit ratings.

For trade receivables, as a practical expedient, the company is accepting advance from customers against sale of goods. Hence credit risk is negligible.

4) Foreign Currency Risk

The Company undertakes transactions denominated in foreign currency (mainly US Dollar) which are subject to the risk of exchange rate fluctuations. Financial assets and liabilities denominated in foreign currency, are also subject to reinstatement risks.

The Company has established risk management policies to hedge the volatility arising from exchange rate fluctuations in respect of firm commitments and highly probable forecast transactions, through foreign exchange forward contracts. The proportion of forecast transactions that are to be hedged is decided based on the size of the forecast transaction and market conditions. As the counterparty for such transactions are highly rated banks, the risk of their non-performance is considered to be insignificant.

Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

The Company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Company funds its operations through internal accruals. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

As at 31st March, 2018, the Company has only one class of equity shares. The company is not subject to any externally imposed capital requirements.

33.2 First Time Adoption of Ind AS

These financial statements, for the year ended 31st March 2018, are the first financial statements prepared by the company in accordance with Ind AS. For the periods upto and including the year ended 31st March 2017, the company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

Accordingly, the company has prepared financial statements which comply with Ind AS applicable for periods ending on or after 31st March 2018, together with the comparative period data as at and for the year ended 31st March 2017, as described in the summary of significant accounting policies. For the purpose of these financial statements, the opening balance sheet was prepared as at 1st April 2016, the date of transition to Ind AS. The principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April 2016 and the financial statements as at and for the year ended 31st March 2017 has been explained in Note No. 33.3.

Exemptions applied:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS and the following exemptions have been applied while preparing the financial statements complying with Ind AS:

a. *Deemed cost for Property, plant and equipment and intangible assets*

The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

b. *Determining whether an arrangement contains a lease*

Appendix C of Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease, at the inception of the contract or arrangement. However, Company has used Ind AS 101 exemption and assessed all arrangements based for embedded leases based on conditions in place as at the date of transition.

c. *Derecognition of financial assets and financial liabilities*

Company has elected to apply the derecognition requirements for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

d. *Classification and measurement of financial assets*

Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS

e. *Impairment of financial assets*

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date.

33.3 Ind AS Reconciliations

(i) Reconciliation of Balance Sheet as at 01.04.2016 (date of transition to Ind AS)

₹ in lakhs

Particulars	Note 33.4	Indian GAAP	Adjustments	Ind AS
ASSETS				
1. Non-current assets				
a. Property, Plant and Equipment		2,497.32		2,497.32
b. Capital work-in-progress		28.09		28.09
c. Other Intangible assets		1.68		1.68
d. Financial Assets				
i. Investments		2.50		2.50
ii. Loans		135.15		135.15
iii. Other financial assets		1.19		1.19
e. Other non-current assets		17.98		17.98
Total non current assets		2,683.91		2,683.91
2. Current assets				
a. Inventories		7,299.72		7,299.72
b. Financial Assets				
i. Investments		—		—
ii. Trade receivables		8.92		8.92
iii. Cash and cash equivalents		833.34		833.34
iv. Bank balances other than (iii) above		209.44		209.44
v. Loans		114.01		114.01
vi. Other financial assets		11.82		11.82
c. Other current assets		323.75		323.75
Total current assets		8,801.00		8,801.00
TOTAL ASSETS		11,484.91		11,484.91
EQUITY AND LIABILITIES				
Equity				
a. Equity Share Capital		320.00		320.00
b. Other Equity	1, 2	6,848.85	714.32	7,563.17
Total Equity		7,168.85	714.32	7,883.17
Liabilities				
1. Non-current liabilities				
a. Financial Liabilities				
i. Borrowings		617.31		617.31
b. Provisions		47.25		47.25
c. Deferred tax liabilities (Net)	4	(73.88)	55.97	(17.91)
Total Non Current Liabilities		590.68	55.97	646.65
2. Current liabilities				
a. Financial Liabilities				
i. Borrowings		243.87		243.87
ii. Trade payables		802.10		802.10
iii. Other financial liabilities		1,283.23		1,283.23
b. Other Current Liabilities		556.74		556.74
c. Provisions	2	770.29	(770.29)	—
d. Current Tax Liabilities (Net)		69.15		69.15
Total Current Liabilities		3,725.38	(770.29)	2,955.09
Total Liabilities		4,316.06	(714.32)	3,601.74
TOTAL EQUITY AND LIABILITIES		11,484.91	—	11,484.91

(ii) Reconciliation of Balance Sheet as at 31.03.2017

₹ in lakhs

Particulars	Note 33.4	Indian GAAP	Adjustments	Ind AS
ASSETS				
1. Non-current assets				
a. Property, Plant and Equipment		2,889.94		2,889.94
b. Capital work-in-progress		5.72		5.72
c. Other Intangible assets		1.45		1.45
d. Financial Assets				
i. Investments		2.50		2.50
ii. Loans		141.82		141.82
iii. Other financial assets		0.43		0.43
e. Other non-current assets		22.40		22.40
Total non current assets		3,064.26	—	3,064.26
2. Current assets				
a. Inventories		7,432.00		7,432.00
b. Financial Assets				
i. Investments	1	3,500.00	10.33	3,510.33
ii. Trade receivables		10.83		10.83
iii. Cash and cash equivalents		948.38		948.38
iv. Bank balances other than (iii) above		191.30		191.30
v. Loans		117.79		117.79
vi. Other financial assets		10.61		10.61
c. Other current assets		342.33		342.33
Total current assets		12,553.24	10.33	12,563.57
TOTAL ASSETS		15,617.50	10.33	15,627.83
EQUITY AND LIABILITIES				
Equity				
a. Equity Share Capital		320.00		320.00
b. Other Equity	1, 2	8,410.48	(70.22)	8,340.26
Total Equity		8,730.48	(70.22)	8,660.26
Liabilities				
1. Non-current liabilities				
a. Financial Liabilities				
i. Borrowings		669.83		669.83
b. Provisions		57.69		57.69
c. Deferred tax liabilities (Net)	4	(56.34)	80.55	24.21
Total Non Current Liabilities		671.18	80.55	751.73
2. Current liabilities				
a. Financial Liabilities				
i. Borrowings		3,021.86		3,021.86
ii. Trade payables		751.39		751.39
iii. Other financial liabilities		1,427.89		1,427.89
b. Other Current Liabilities		835.50		835.50
c. Current Tax Liabilities (Net)		179.20		179.20
Total Current Liabilities		6,215.84	—	6,215.84
Total Liabilities		6,887.02	80.55	6,967.57
TOTAL EQUITY AND LIABILITIES		15,617.50	10.33	15,627.83

(iii) Statement of Profit and loss for the year ended 31.03.2017

₹ in lakhs

Particulars	Note 33.4	Indian GAAP	Adjustments	Ind AS
INCOME:				
I. Revenue from operations		1,04,724.53		1,04,724.53
II. Other income	1	199.25	10.33	209.58
III. Total Income (I+II)		1,04,923.78	10.33	1,04,934.11
EXPENSES:				
Cost of materials consumed		90,537.66		90,537.66
Changes in inventories of finished goods		(353.00)		(353.00)
Employee benefits expense	3	4,265.09	(135.55)	4,129.54
Finance costs		201.53		201.53
Depreciation and amortization expense		328.06		328.06
Other expenses		7,501.91		7,501.91
IV. Total Expenses		1,02,481.25	(135.55)	1,02,345.70
V. Profit before tax (III - IV)		2,442.53	145.88	2,588.41
VI. Tax expense:				
a. Current tax		875.00		875.00
b. Relating to earlier years		(11.64)		(11.64)
c. Deferred tax	4	17.54	71.49	89.03
		880.90	71.49	952.39
VII. Profit for the period (V - VI)		1,561.63	74.39	1,636.02
VIII. Other comprehensive income				
A Items that will not be reclassified to profit or loss				
(a) (i) Remeasurements of post employment benefit obligations	3	—	(135.55)	(135.55)
(ii) Income tax relating to items that will not be reclassified to profit or loss	4	—	46.91	46.91
B Items that will be reclassified to profit or loss				
(a) (i) Effective portion of gains/ (losses) on cash flow hedging instruments		—	—	—
(ii) Income tax relating to items that will be reclassified to profit or loss		—	—	—
IX. Total Comprehensive Income for the period (VII+ VIII)(Comprising Profit and Other Comprehensive Income for the period)		1,561.63	(14.25)	1,547.38

(iv) Reconciliation of Net Profit reported as per Indian GAAP and Ind AS

₹ in lakhs

	Year Ended 31.03.2017
Net Profit as per Indian GAAP	1,561.63
Adjustments on account of remeasurement of net defined benefit plan	135.55
Fair value changes on mutual funds carried through profit or loss (net of tax)	6.75
Deferred tax adjustments	(67.91)
Net profit as per Ind AS	1,636.02
Other Comprehensive income (net of tax)	(88.64)
Total Comprehensive income reported under Ind AS	1,547.38

(v) Reconciliation of equity as previously reported on account of transition from the previous Indian GAAP to IND AS

₹ in lakhs

	As at 31.03.2017	As at 01.04.2016
Equity as per previous Indian GAAP	8,730.48	7,168.85
Adjustments on account of remeasurement of net defined benefit plan	135.55	-
Fair value changes on mutual funds carried through Profit or Loss (net of tax)	6.75	-
Other Comprehensive income (net of tax)	(88.64)	-
Adjustments for proposed dividend (including tax thereon)	-	770.29
Deferred tax adjustments	(123.88)	(55.97)
Total Equity as per Ind AS	8,660.26	7,883.17

33.4 Details of Measurement and recognition difference between Ind AS and Previous GAAP for the year ended 31st March 2017**1) Fair Valuation of Investments**

Under the previous GAAP, investments in mutual funds were classified as long term investments or current investments based on the intended holding period and realisability. Long term investments were carried at cost less provision for other than the temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognized in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended 31st March, 2017. This increased the retained earnings by Rs. 6.75 lakhs (net of deferred tax) as at 31st March 2017 (1st April 2016 by Rs.Nil)

2) Proposed dividend

Under Previous GAAP, upto year ended 31st March, 2016, proposed dividend including dividend distribution tax (DDT), are recognized as liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, proposed dividend is recognized as liability in the period in which it is declared by Company, usually when approved by shareholders in a general meeting or paid.

Therefore, the dividend liability (proposed dividend) including dividend distribution tax liability amounting to ₹ 770.29 lakhs has been derecognised in the retained earnings as on the date of transition.

Proposed dividend including dividend distribution tax liability amounting to ₹ 770.29 lakhs which was derecognised as on the transition date, has been recognised in retained earnings during the year ended 31st March, 2017 as declared and paid.

3) Remeasurement benefit of defined benefit plans

Under previous GAAP, actuarial gains and losses on employees defined benefit obligations were recognised as employee benefits expense in the Statement of Profit and Loss. Under Ind AS, such remeasurement benefits relating to defined benefit plans is recognised in Other Comprehensive Income as per the requirements of Ind AS 19- Employee benefits. Consequently, the related tax effect of the same has also been recognised in Other Comprehensive Income.

For the year ended 31st March, 2017, remeasurement of gratuity liability resulted in a net benefit of ₹ 135.55 lakhs which has now been removed from employee benefits expense in the Statement of Profit and Loss and recognised separately in Other Comprehensive Income. This has resulted in decrease in employee benefits expense by ₹ 135.55 lakhs and loss in Other Comprehensive Income by ₹ 135.55 lakhs for the year ended 31st March, 2017. Consequently, tax effect of the same amounting to ₹ 46.91 lakhs is also recognised separately in Other Comprehensive Income.

The above changes do not affect Equity as at date of transition to Ind AS and as at 31st March, 2017. However, Profit before tax and profit for the year ended 31st March, 2017 decreased by ₹ 135.55 lakhs.

4) Deferred tax

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under previous GAAP.

5) Other comprehensive income

Under Ind AS, all items of income and expense recognized in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expenses that are not recognized in profit or loss, but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans and effective portion of cash flow hedge. The concept of other comprehensive income did not exist under the previous GAAP.

6) Statement of cash flows

The transition from Previous GAAP to Ind AS has not had a material impact on the statement of cash flows.

Under Ind AS, bank overdrafts repayable on demand and which form an integral part of the cash management process are included in cash and cash equivalents for the purpose of presentation of statement of cash flows. However, the management is of the view that the Cash Credit facility availed from banks by the company is distinct from an overdraft facility and hence, they are continued to be shown as part of financing activities, as hitherto done under the previous GAAP.

7) Other matters

In the preparation of these Ind-AS Financial Statements, Company has made several presentation differences between previous GAAP and Ind-AS. These differences have no material impact on reported profit or total equity. Accordingly, some assets and liabilities have been reclassified into another line item under Ind-AS at the date of transition. Further, in these Financial Statement, some line items as described differently under Ind-AS compared to previous GAAP although the assets and liabilities included in these line items are unaffected.

33.5 Taxation

(i) Reconciliation of income tax expense for the year to accounting profit

₹ in lakhs

	Year Ended 31.03.2018	Year Ended 31.03.2017
(a) Profit before Tax as per Statement of Profit and Loss	10,865.04	2588.41
Add : Other Comprehensive Income that will not be reclassified to Statement of Profit and Loss	(137.04)	(135.55)
Accounting Profit	10,728.00	2452.86
(b) Tax on above at the applicable tax rate (refer (i) below)	3,712.75	848.89
(c) Tax effect of items that are not deductible in determining taxable profit	227.02	256.67
(d) Tax effect of items that are deductible in determining taxable profit	(263.58)	(287.89)
	3,676.19	817.67
(e) Add : Interest payable under Income Tax Act	89.52	36.61
(f) Tax and interest	3,765.71	854.28
(g) Add : Excess Provision made in accounts	34.29	20.72
(h) Current Tax as per Statement of Profit and Loss	3,800.00	875.00
(i) Applicable rate of tax as per Finance Act	34.608%	34.608%
(j) Average effective tax rate (f / a)	35.102%	34.828%

(ii) Deferred Tax Expense

₹ in lakhs

	As at 01.04.2016	Charge / (credit) to Statement of Profit or loss (2016-17)	Charge / (credit) to Statement of Other Compre- hensive Income (2016-17)	As at 31.03.2017	Charge / (credit) to Statement of Profit or loss (2017-18)	Charge / (credit) to Statement of Other Compre- hensive Income (2017-18)	As at 31.03.2018 (d) + (e) + (f)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
(a) Property, Plant and Equipment	(54.88)	58.59		3.71	14.05		17.76
(b) Employee Benefits	39.31	64.30	(46.91)	56.70	51.04	(48.64)	59.10
(c) Investments		3.58		3.58	41.90		45.48
(d) Other Current Liabilities	(2.34)	(37.44)		(39.78)	16.06		(23.72)
	(17.91)	89.03	(46.91)	24.21	123.05	(48.64)	98.62

33.6 Contingent liabilities and commitments (to the extent not provided for in the accounts)

	2017-18 ₹ in lakhs	2016-17 ₹ in lakhs
I Contingent Liabilities		
a) Claims against the Company not acknowledged as debts (See Note below):		
(i) Central Excise Duty	34.52	34.52
(ii) Kerala General Sales Tax	25.40	25.40
(iii) Kerala Value Added Tax	2.12	—
(iv) Freight/demurrage demanded by Indian Railways	57.11	57.11
(v) ESI	4.38	4.38
(vi) Electricity	1.12	1.12
b) Bank Guarantees in favour of KSEB	49.70	42.70
c) Other money for which the Company is contingently liable	—	—
	174.35	165.23
II Commitments		
a) Estimated amount of contracts remaining to be executed on capital account not provided for	92.77	53.66
b) Uncalled liability on shares and other investments partly paid	—	—
c) Letter of credit for import of raw materials	—	111.73
	92.77	165.39
TOTAL	267.12	330.62

Details in respect of claims against the Company not acknowledged as debts disclosed above are as follows:

- (i) Assistant Commissioner, Central Excise and Service Tax has issued Order demanding Central Excise Duty of ₹ 34,52,320 (including penalty of ₹ 3 lakhs) and interest as applicable, by disallowing exemption claimed on fatty acid from levy of Central Excise Duty from December, 2014 to October, 2016. Aggrieved by the Order Company has filed an appeal before the Commissioner (Appeals), Central Excise and Service Tax.
- (ii) Assistant Commissioner (Assessment), Department of Commercial taxes, Thrissur had issued order demanding ₹ 25,40,012 (including interest ₹ 12,63,624) for the financial year 2000-01 against sales tax exemption claimed on sale of refined vegetable oil. On appeal, The Deputy Commissioner (Appeals), Ernakulam had issued an order directing the assessing authority to reconsider the matter. The final order from the Assistant Commissioner (Assessment) is not yet received.
- (iii) Assistant Commissioner (Assessment), Department of Commercial taxes, Thrissur had issued order demanding ₹ 2,12,062 (including interest ₹ 96,181) for the financial year 2010-11 for the difference in the monthly purchase turnover uploaded to the website of Kerala Commercial Taxes. Aggrieved by the Order, Company has filed appeal before the Deputy Commissioner (Appeals), Department of Commercial Taxes, Thrissur.
- (iv) Southern Railway had raised two demands aggregating to ₹ 57,10,829 on grounds of undercharge due to incorrect classification of deoiled rice bran. The claim has been challenged by the Company before the Hon. High Court of Kerala and the writ petition is still pending before the Court.
- (v) (a) Some of the employees of the company had challenged the enhancement of wage limit for coverage of ESI, before the Hon. High Court of Kerala and the Court had granted stay. The cases were disposed off by the Court in favour of ESI Corporation and Company had remitted contributions of employer and employees.
 Subsequently, ESI Corporation demanded interest amounting to ₹ 1,56,862 for delay in payment of contributions relating to the period when the above stay was in operation and ₹ 19,214 towards employees' contribution in respect of retired/resigned employees during the said period. Company had preferred appeal before the ESI Court, Palakkad which was decided in favour of the Company. Aggrieved by the order, ESI Corporation had filed appeal before the Hon. High Court of Kerala challenging the orders of ESI Court, Palakkad, and the said appeal is still pending.
 ESI Corporation had also demanded damages of ₹ 1,14,199 for the delay in remittance of contribution mentioned above and the Company had filed an appeal before the ESI Court, Palakkad which is still pending.
- (b) ESI Corporation has issued order demanding ₹ 1,62,952 as interest and ₹ 60,080 as damages for delay in remittance of contribution on omitted wages for the period from 01.04.1996 to 31.03.2002. The Company remitted ₹ 75,000 towards this demand on the direction of the Court, while granting stay. The balance demand not paid is ₹ 1,48,032, and the case is still pending before ESI Court, Palakkad.
- (vi) Kerala State Electricity Board (KSEB) had issued an order demanding ₹ 1,11,780 as charges for additional connected load in Konikkara Dairy Unit of the company relating to the period from November, 2001 to July, 2002. This order has been challenged by the company before the Hon. High Court of Kerala which is still pending.

In all the above cases company is legally advised that there is a good chance for full relief and hence no provision is considered necessary at this stage.

33.7 Disclosures required under Ind AS 19 “Employee Benefits”

I Defined Contribution Plans

During the year the following amounts have been recognised in the statement of profit and loss on account of defined contribution plans:

	2017-18 ₹ in lakhs	2016-17 ₹ in lakhs
Employer’s Contribution to Provident Fund	300.51	245.78
Employer’s Contribution to Employee’s State Insurance Corporation	65.91	46.42

II Defined Benefit Plan / Other Long Term Benefits -

	Gratuity (Funded)		Compensated absences (Funded)	
	2017-18	2016-17	2017-18	2016-17
	2017-18 ₹ in lakhs	2016-17 ₹ in lakhs	2017-18 ₹ in lakhs	2016-17 ₹ in lakhs
(i) Actuarial Assumptions				
Discount Rate (per annum)	7.80%	7.80%	7.80%	7.80%
Expected Rate of return on plan assets (per annum)	7.65%	8.00%	7.65%	8.00%
Compensation escalation Rate (per annum)	8.00%	8.00%	8.00%	8.00%
Mortality Rate	Indian Lives Mortality (1994-96) Ultimate Table			
(ii) Reconciliation of present value of obligations				
Present value of obligation at the beginning of the year	1,484.29	1,244.53	147.45	125.84
Current service cost	92.99	81.70	135.53	123.40
Interest cost	119.40	100.26	16.79	14.62
Actuarial (gain) / loss	137.04	135.55	(84.39)	(79.23)
Benefits paid	(99.86)	(77.75)	(59.39)	(37.18)
Present value of obligations at the end of the year	1,733.86	1,484.29	155.99	147.45
(iii) Reconciliation of fair value of plan assets				
Fair value of plan assets at the beginning of the year	1,706.68	1,406.25	147.91	137.16
Expected return on plan assets	130.56	112.50	11.32	10.97
Actuarial gain / (loss)	(2.16)	1.57	0.03	0.32
Contributions	177.16	264.11	0.50	0.42
Benefits paid	(99.86)	(77.75)	(0.41)	(0.96)
Fair value of plan assets at the end of the year	1,912.38	1,706.68	159.35	147.91
(iv) Description of plan assets - Insurer managed assets	1,912.38	1,706.68	159.35	147.91
(v) Major category of plan assets as % of total plan assets				
Equities	—	—	—	—
Bonds	—	—	—	—
Gilts	—	—	—	—
Others - Insurer Managed Funds (LIC of India)*	100%	100%	100%	100%
* In the absence of detailed information regarding plan assets which is funded by Insurance Company, the composition of each major category of plan assets, the percentage on amount of each category to the fair value of plan assets has not been disclosed.				
(vi) Net (Asset) / Liability recognised in the balance sheet as at the end of the year				
Present value of obligation at the end of the year	1,733.86	1,484.29	155.99	147.45
Fair value of plan assets at the end of the year	1,912.38	1,706.68	159.35	147.91
Net present value of funded obligation recognised as (asset) / liability in the balance sheet	(178.52)	(222.39)	(3.36)	(0.46)

		Gratuity (Funded)		Compensated absences (Funded)	
		2017-18	2016-17	2017-18	2016-17
		₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
(vi)	Expenses recognised in the statement of profit and loss				
	Current service cost	92.99	81.70	135.53	123.40
	Interest cost	119.40	100.26	16.79	14.62
	Expected return on plan assets	(130.56)	(112.50)	(11.32)	(10.97)
	Actuarial (gain) / loss recognised in the period	139.20	133.98	(84.42)	(79.55)
	Total expenses recognised in the statement of profit and loss for the year	221.03	203.44	56.58	47.50
	Actual return of plan assets	128.40	114.07	11.35	11.29
(vii)	Non-current and current value of obligation				
	Non-current	1,617.89	1,342.24	142.85	137.04
	Current	115.96	142.05	13.14	10.41
	Total value of obligation	1,733.85	1,484.29	155.99	147.45
		31.03.2018	31.03.2017	31.03.2016	31.03.2015
		₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
(viii)	Amount recognised in current year and previous four years				
	Gratuity (Funded)				
	Present value of defined benefit obligations	1,733.86	1,484.29	1,244.53	1,077.73
	Fair value of plan assets	1,912.38	1,706.68	1,406.25	1,310.29
	Funded status - (asset) / liability	(178.52)	(222.39)	(161.72)	(232.56)
	Actuarial (gain) / loss on plan obligations	137.04	135.55	87.65	84.43
	Actuarial gain / (loss) on plan assets	(2.16)	1.57	2.29	8.68
	Compensated absences (Funded)				
	Present value of defined benefit obligations	155.99	147.45	125.84	104.83
	Fair value of plan assets	159.35	147.91	137.16	125.60
	Funded status - (asset) / liability	(3.36)	(0.46)	(11.32)	(20.77)
	Actuarial (gain) / loss on plan obligations	(84.39)	(79.23)	(67.87)	(48.76)
	Actuarial gain / (loss) on plan assets	0.03	0.32	0.51	3.50

(ix) A quantitative sensitivity analysis for significant assumption (impact on defined benefit obligation) is as below:

A. Gratuity (Funded) -

	Year ended 31.03.2018		Year ended 31.03.2017	
	1% increase	1% decrease	1% increase	1% decrease
Discount rate	1595.27	1892.13	1414.90	1686.70
Salary increase rate	1869.00	1611.14	1665.62	1428.70
Employee turnover	2636.90	830.81	2257.36	711.22
Undiscounted Cash flow over the years		3924.94		3568.40

B. Compensated absences (Funded)

	Year ended 31.03.2018		Year ended 31.03.2017	
	1% increase	1% decrease	1% increase	1% decrease
Discount rate	142.06	172.36	134.29	162.88
Salary increase rate	170.59	143.29	162.78	135.46
Employee turnover	237.23	74.74	224.25	70.65
Undiscounted Cash flow over the years		425.45		396.85

In the above analysis the change in the factor is made with other factors remaining intact.

Undiscounted Cash flow over the years is the aggregate cash flow without discounting but keeping other factors intact and is the total payout for the current complement of staff. Maturity profile of the obligation is reflected in the undiscounted aggregate cash flow given above.

(x) Actuarial gain/ loss arising on experience adjustments

	As at 31.03.2018 ₹ in lakhs	As at 31.03.2017 ₹ in lakhs
Gratuity (Funded)	137.04	135.55
Compensated absences (Funded)	(84.39)	(79.23)

(xi) Note on actuarial risks

These plans typically expose the Company to actuarial risks such as: Investment Risk, Interest Risk, Longevity Risk and Salary Risk.

(a) Investment Risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

(b) Interest Risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

(c) Longevity Risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(d) Salary Risk

The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Notes:

- The above disclosures are based on information certified by the independent actuary and relied upon by the Company.
- The plan assets of the Company are managed by the Life Insurance Corporation of India in terms of insurance policies taken to fund the obligations of the Company with respect to its Gratuity and Compensated Absences Plan. Information on categories of plan assets is not available with the Company.

33.8 Lease rental payments

	2017-18 ₹ in lakhs	2016-17 ₹ in lakhs
(a) Recognised in statement of profit and loss	11.43	11.63
(b) Future minimum lease rentals payable as per lease agreement at the year end		
(i) Not later than one year	1.00	—
(ii) Later than one year and not later than five years	—	7.00
Total	1.00	7.00
(c) The Company has hired buildings under rental arrangements which are treated as operating lease.		

33.9 Segment Information

Segment Revenue, Results and Capital Employed

₹ in lakhs

Sl. No.	Particulars	Financial Year	BUSINESS SEGMENTS			Total
			Animal Feed	Oil cake processing	Dairy	
a)	Segment Revenue	2017-18	110894.51	29072.19	2905.43	142872.13
		2016-17	90213.41	23717.63	2749.44	116680.48
	Less Inter-segment Revenue	2017-18	—	12454.80	—	12454.80
		2016-17	—	11955.95	—	11955.95
	Total Revenue	2017-18	110894.51	16617.39	2905.43	130417.33
		2016-17	90213.41	11761.68	2749.44	104724.53
b)	Segment Results	2017-18	6663.95	3884.48	197.51	10745.94
		2016-17	1073.68	1580.95	83.07	2737.70
	Add Unallocated income (net of unallocated expenditure)	2017-18				207.69
		2016-17				24.88
	Less Finance Costs	2017-18				119.91
		2016-17				201.53
	Add Interest Income	2017-18				31.32
		2016-17				27.36
	Total Profit before tax and exceptional items	2017-18				10865.04
		2016-17				2588.41
	Add Exceptional items	2017-18				—
		2016-17				—
	Profit before tax	2017-18				10865.04
		2016-17				2588.41
c)	Segment Assets	2017-18	6251.72	4730.47	632.12	11614.31
		2016-17	6104.15	3633.08	554.66	10291.89
	Unallocated Assets	2017-18				11350.42
		2016-17				5335.94
	Total Assets	2017-18				22964.73
		2016-17				15627.83
d)	Segment Liabilities	2017-18	2542.16	672.59	141.22	3355.97
		2016-17	2083.25	341.58	107.10	2,531.93
	Unallocated Liabilities	2017-18				5229.62
		2016-17				4435.64
	Total Liabilities	2017-18				8585.59
		2016-17				6967.57
e)	Segment Capital Expenditure	2017-18	61.32	5.05	63.84	130.21
		2016-17	38.82	10.28	15.08	64.18
	Unallocated Capital Expenditure	2017-18				85.26
		2016-17				645.32
	Total Capital Expenditure	2017-18				215.47
		2016-17				709.50
f)	Segment Depreciation and amortisation expenses	2017-18	149.75	57.49	38.58	245.82
		2016-17	184.17	68.49	44.31	296.97
	Unallocated Depreciation	2017-18				106.45
		2016-17				31.09
	Total Depreciation and amortisation expenses	2017-18				352.27
		2016-17				328.06
g)	There is no significant non-cash expenses, included in segment expenses, other than depreciation and amortisation expenses in respect of segment assets.					

Notes:

	2017-18 ₹ in lakhs	2016-17 ₹ in lakhs
1 Unallocated assets include		
Property, Plant and Equipment - Windmill	471.21	536.10
Non- current investments	2.50	2.50
Cash and Bank balances	2,074.90	1,140.11
Deferred tax asset	—	56.34
Current Investments	8333.13	3510.33
2 Unallocated liabilities include		
Long Term borrowings	561.67	669.83
Provision for employee benefits - Gratuity	—	57.69
Current maturities of Public Deposit	370.66	245.74
Interest accrued but not due on public deposits	120.16	105.03
Deferred tax liabilities	98.62	—
Unpaid dividends	94.73	105.70
Short-term borrowings	3461.88	3021.86
Provision for taxation (net of advance tax)	488.98	179.20

33.10 Disclosure of Related Party Transactions in accordance with Ind AS 24 “ Related Party Disclosures”

A. (i) List of Related Parties where control exists and also other Related Parties with whom transactions have taken place and relationships:

Sl. No.	Nature of Relationship	Name of related party
1	Key managerial personnel	Mr. M.C. Paul, Managing Director (upto 22.10.2017) Mr. A.P. George, Managing Director (from 14.11.2017) (Executive Director upto 13.11.2017) Mr. M.P. Jackson, Executive Director (from 12.02.2018)
2	Entities over which the key managerial personnel and their relatives are able to exercise significant influence having transactions with the Company	Emceepee Traders M.C. Paul and Sons MCP Agro Tech. P. Ltd. MP Gigi MCP Rose Supermarket P. Ltd. MCP Enterprises MCP Food Industries Emceepee Agencies MCP Properties P. Ltd.
3	Relatives of Key Managerial Personnel having transactions with the Company	Mrs. Annie Paul Mr. Bellraj Eapen Mrs. Pushpam Bright Mrs. Thressiamma George Mr. A.G. Antony Mr. Prince Panikulam Mrs. Teena Prince
4	Defined Benefit Gratuity Plan	KSE Employees' Group Gratuity Fund Trust

B. Transactions with Related Parties during the year

			2017-18 ₹ in lakhs	2016-17 ₹ in lakhs
1	Transactions with Key Managerial Personnel			
1.a	Remuneration	Mr. M.C. Paul	23.62	47.86
		Mr. A.P. George	33.01	23.02
		Mr. M.P. Jackson	3.18	—
		Total	59.81	70.88
1.b	Interest on Public Deposit	Mr. A.P. George	0.28	0.29
1.c	Balance outstanding as at the year end -			
--	Payables - Bonus payable and gratuity provided in accounts	Mr. M.C. Paul	3.35	63.02
		Mr. A.P. George	4.78	3.46
		Mr. M.P. Jackson	0.48	—
		Total	8.61	66.48
--	Payables (Public Deposits)	Mr. A.P. George	2.75	2.75
--	Receivables		Nil	Nil
2	Transactions with entities over which key managerial personnel and their relatives are able to exercise significant influence			
2.a	Sale of Products	Emceepee Traders	94.68	95.16
		Emceepee Agencies	13.13	16.60
		MCP Rose Supermarket P. Ltd.	7.13	8.32
		Total	114.94	120.08
2.b	Purchase of Materials	M.C. Paul & Sons	0.06	0.04
		MCP Rose Supermarket P. Ltd.	0.37	0.37
		Total	0.43	0.41
2.c	Sales Promotion	MCP Rose Supermarket P. Ltd.	—	1.19
		Emceepee Traders	0.03	0.01
		Total	0.03	1.20
2.d	Balance outstanding as at the year end			
--	Payables	Emceepee Traders	0.10	0.10
		Emceepee Agencies	0.02	0.02
		Total	0.12	0.12
--	Receivables		Nil	Nil
3	Transactions with relatives of Key Managerial Personnel			
3.a	Interest on public deposits	Mrs. Annie Paul	1.05	0.95
		Mr. Bellraj Eapen	3.42	N.A.
		Mrs. Pushpam Bright	1.24	2.33
		Mrs. Thressiamma George	0.20	0.22
		Mr. A.G. Antony	0.92	0.85
		Mr. Prince Panikulam	0.11	0.12
		Mrs. Teena Prince	0.11	0.12
		Total	7.05	4.59

		2017-18 ₹ in lakhs	2016-17 ₹ in lakhs
3.b	Balance outstanding as at the year end		
--	Payables (Public Deposits including accrued interest)		
	Mrs. Annie Paul	10.94	10.00
	Mr. Bellraj Eapen	62.97	N.A.
	Mrs. Pushpam Bright	N.A.	24.34
	Mrs. Thressiamma George	2.00	2.00
	Mr. A.G. Antony	8.95	8.13
	Mr. Prince Panikulam	1.16	1.05
	Mrs. Teena Prince	1.16	1.05
	Total	87.18	46.57
--	Receivables	Nil	Nil
4	Transaction with Defined Benefit Gratuity Plan		
	Contribution to KSE Employees' Group Gratuity Fund Trust	221.03	203.44

5. No amount has been provided/written off as doubtful debts or advances written back in respect of payables due from or to any of the above related parties.

33.11 Particulars in respect of stock and turnover

₹ in lakhs

Sl. No.	Class of goods manufactured	Opening Value		Closing Value		Sales Value	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
1.	Ready-mixed Cattle Feed and Feed Supplement	568.52	292.21	319.99	568.52	110,556.08	89,940.64
2.	De-oiled Coconut Cake	491.98	667.68	373.33	491.98	3,885.45	4,348.10
3.	Refined Coconut Oil	223.27	42.50	21.52	223.27	12,068.91	7,147.53
4.	Solvent Extracted Coconut oil	209.50	121.07	484.09	209.50	—	50.60
5.	Milk	4.26	3.94	5.27	4.26	1,687.41	1,634.97
6.	Ice Cream	27.84	27.80	31.32	27.84	980.37	862.74
7.	Others	5.43	22.60	28.73	5.43	1,246.55	761.46
	Total	1,530.80	1,177.80	1,264.25	1,530.80	130,424.77	104,746.04

33.12 Raw materials consumed

	2017-18 ₹ in lakhs	2016-17 ₹ in lakhs
(a) Coconut Oil Cake	23,004.17	20,381.68
(b) Rice Bran	32,430.33	30,632.90
(c) Maize	17,885.81	17,621.76
(d) Cotton Seed Cake	7,244.55	7,702.60
(e) Groundnut cake extraction	1,438.81	423.74
(f) Deoiled soyabean cake	1,518.72	1,078.68
(g) Rapeseed extraction	5,637.32	5,739.60
(h) Milk	1,385.27	1,404.86
(i) Others	5,545.13	5,551.84
Total	96,090.11	90,537.66

33.13 Consumption of raw materials and stores and spares

		Year ended 31 st March 2018		Year ended 31 st March 2017	
		%	₹ in lakhs	%	₹ in lakhs
(a)	Raw Materials				
	Imported	11.02	10,591.49	13.06	11,827.99
	Indigenous	88.98	85,498.62	86.94	78,709.67
	Total	100.00	96,090.11	100.00	90,537.66
(b)	Stores and Spares				
	Imported	1.26	8.03	5.06	28.35
	Indigenous	98.74	628.97	94.94	531.47
	Total	100.00	637.00	100.00	559.82

	Year ended 31 st March 2018	Year ended 31 st March 2017
33.14 CIF value of imports (₹ in lakhs)		
- Raw materials	8,865.42	8,970.83
- Capital goods	Nil	Nil
- Stores and Spares	10.66	19.02
33.15 Expenditure in Foreign Currency (₹ in lakhs)	Nil	0.13
33.16 Earnings in Foreign Exchange (₹ in lakhs)	4.05	1.40
33.17 Remittance in foreign currencies on account of dividend (including remittance to NRE accounts)		
i) No. of Non-Resident shareholders	82	58
ii) No. of shares held by them	13,316	20,622
iii) Dividend remitted in Foreign Currency	Nil	Nil
33.18 Stores and spares consumed includes cost of materials used for repairs and maintenance.		
33.19 In the opinion of the Board, current assets and long term loans & advances have the value at which they are stated in the Balance Sheet, if realised in the ordinary course of business.		
33.20 The Company is purchasing freezers and selling the same at concessional rate to distributors of ice cream. The cost of purchases and the sales value of the freezers are debited/credited to the Advertisement and Sales Promotion shown under Note 31 - Other Expenses.		
33.21 Balance with Government Authorities under Note 14 includes Goods and Service Tax (GST) which in the opinion of the management is either refundable or eligible for set off against future GST liabilities.		
33.22 The company has a system of periodically obtaining and reconciling confirmations of balances with banks, suppliers and customers.		
33.23 Figures of the previous year have been regrouped and recast wherever necessary to suit the current year's layout.		

Jose Paul Thaliyath
Chairman (DIN : 01773031)

Sd/-

A.P. George
Managing Director (DIN : 00106808)

Sd/-

M.P. Jackson
Executive Director (DIN : 01889504)

Sd/-

R. Sankaranarayanan
Chief Financial Officer
and Company Secretary

Sd/-

P.D. Anto
Director (DIN : 00106965)

Sd/-

Paul Francis
Director (DIN : 00382797)

Sd/-

As per our report of
even date attached
For **S. S. AYYAR & CO.**
Chartered Accountants, Kottayam
(Firm No. 050012 S)

Sd/-
CA. S.S. Ayyar, F. C. A.
(M. No. 004846)
Partner

May 30, 2018

SUMMARISED BALANCE SHEET FOR THE LAST FIVE YEARS

₹ in lakhs

	2017-18	2016-17	2015-16	2014-15	2013-14
A. ASSETS					
1. Net Fixed Assets	2744.25	2897.11	2527.09	2745.31	3653.68
2. Investments	8335.63	3512.83	2.50	2.50	7.50
3. Current Assets and Advances	11884.85	9217.89	9029.20	11054.73	5889.11
Total asset	22964.73	15627.83	11558.79	13802.54	9550.29
B. LIABILITIES					
1. Secured and unsecured loans	4394.21	3937.43	1147.80	1754.93	1667.37
2. Other Liabilities	4191.38	3030.14	3242.14	4866.54	3024.83
Total liabilities	8585.59	6967.57	4389.94	6621.47	4692.20
C. NET WORTH (A-B)	14379.14	8660.26	7168.85	7181.07	4858.09
REPRESENTED BY					
1. Share Capital	320.00	320.00	320.00	320.00	320.00
2. Other Equity	14059.14	8340.26	6848.85	6861.07	4538.09
Shareholder's equity	14379.14	8660.26	7168.85	7181.07	4858.09

SUMMARISED STATEMENT OF PROFIT AND LOSS FOR THE LAST FIVE YEARS

₹ in lakhs

	2017-18	2016-17	2015-16	2014-15	2013-14
A. EARNED FROM					
1. Sales	130417.33	104724.53	92493.46	89970.05	80630.33
2. Other income	519.07	209.58	229.99	1208.82	89.78
	130936.40	104934.11	92723.45	91178.87	80720.11
B. PAID AND PROVIDED FOR					
1. Raw materials and finished goods	106911.86	90184.66	80150.20	74019.27	69121.63
2. Manufacturing, administrative, selling and other expenses	8010.09	7501.91	7093.02	6556.95	5784.30
3. Employee benefits expense	4814.27	4265.09	3695.93	3383.04	2857.88
4. Finance costs	119.91	201.53	131.34	194.49	236.66
5. Depreciation/amortisation	352.27	328.06	426.88	636.19	375.77
	120208.40	102481.25	91497.37	84789.94	78376.24
C. PROFIT BEFORE TAX (A-B)	10728.00	2452.86	1226.08	6388.93	2343.87
Less: Tax Expenses	3853.69	905.48	468.01	2025.52	806.51
D. NET PROFIT AFTER TAX	6874.31	1547.38	758.07	4363.41	1537.36
APPROPRIATED TO					
1. Proposed Dividend	1920.00	960.00	640.00	1600.00	640.00
2. Dividend distribution tax	394.66	195.43	130.29	322.23	108.77
3. Retained in business / (Utilised from accumulated profits)	406.20	391.95	(12.22)	2441.18	788.59
	4559.65	1547.38	758.07	4363.41	1537.36



Regd. Office: Post Box No. 20, Solvent Road, Irinjalakuda, Kerala - 680 121
Ph: 0480 2825476 Email: ksekerala@gmail.com Web: kselimited.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)

54th Annual General Meeting

Friday, August 31, 2018 at 3.00 p.m.

1	Name of the Company	KSE Limited
2	CIN	L15331KL1963PLC002028
3	Registered Address	Solvent Road, Irinjalakuda – 680121, KERALA

1	Name of Sole / First Member	
2	Registered Address	
3	E Mail Id:	
4	Registered Folio No. / Client ID No.	
5	DP ID	

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

1	Name	
	Address	
	E Mail Id:	
	Signature	

or failing him

2	Name	
	Address	
	E Mail Id:	
	Signature	

or failing him

3	Name	
	Address	
	E Mail Id:	
	Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the for 54th Annual General Meeting to be held on 31st August, 2018 at 3.00 pm at the registered address of the Company and at any adjournment thereof in respect of such resolutions as are indicated below :

#	Description	Type of Resolution	For	Against
Ordinary business:				
1	Adoption of audited financial statements along with reports of directors and auditors for year ended 31 st March, 2018	Ordinary		
2	Declaration of dividend for year ended 31 st March, 2018	Ordinary		
3	Reappointment of Mr. P.D. Anto, retiring by rotation and seeking re-election	Ordinary		
4	Reappointment of Mrs. Marykutty Varghese retiring by rotation and seeking re-election	Ordinary		
Special Business:				
5	Approval for acceptance of Deposits from Public and/or members	Ordinary		
6	Approval of remuneration of Cost Auditor	Ordinary		
7	Appointment of Mr. M.P Jackson (DIN 01889504) as a Director	Ordinary		
8	Appointment of Mr. Paul Francis (DIN 00382797) as a Director	Ordinary		
9	Appointment of Dr. Pyarelal K. C. (DIN 00923913) as a Director	Ordinary		
10	Appointment of Ms. Danesa (DIN 07975553) as a Director	Ordinary		
11	Appointment and remuneration of Mr. A.P George (DIN 00106808) as Managing Director	Special		
12	Reappointment and remuneration of Mr. A.P George (DIN 00106808), Managing Director	Special		
13	Appointment and remuneration of Mr. M.P Jackson (DIN 01889504) as Executive Director	Ordinary		
14	Approval for payment of posthumous benefits to wife of Late M.C. Paul, Managing Director	Special		

Signed this day of, 2018

Signature of Shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

- Notes:** 1 This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting. The form should be signed across the stamp as per specimen signature registered with the company.
2 A Proxy need not be a member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty members and holding in the aggregate not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other member.
3 For the resolutions, explanatory statement and Notes, please refer to the Notice of 54th Annual General Meeting.



Directors and Management team at the Dealer Meet, Thrissur on 14th March, 2018



View from Dealer Meet at Thrissur



Managing Director Mr. A.P. George addressing the Dealers at Kochi on 27th February, 2018



Inauguration of the Dealer Meet at Thiruvananthapuram on 7th March, 2018

Production Units

KERALA

KSE Limited
Irinjalakuda Unit, P.B. No. 20,
Solvent Road, Irinjalakuda - 680 121
Tel: 0480 2825476, 2825576, 2826676
Fax: 0480 2826075 E-mail: ksekerala@gmail.com

KSE Limited
Koratty Unit, KINFRA Park, Nalukettu Road,
Koratty - 680 309, Thrissur Dist.
Tel: 0480 2735855, 2734590, 2735920

KSE Limited
Vedagiri Unit, Kurumullur P.O.,
Kottayam Dist. - 686 632.
Tel: 0481 2536829, 2536830, 2538718, 2538719

KSE Limited
Palakkad Unit, Othungode, Kerala,
Palakkad - 678 020
Tel: 0491 2543332, 2543451, 2541858

KSE Limited
Dairy Unit, Konikkara, Marathakkara P.O.,
Thrissur - 680 306 Tel: 0487 2351501, 2358806
Fax: 0487 2356394

KSE Limited
Ice Cream Unit, Vedagiri,
Kurumullur P.O.,
Kottayam Dist. - 686 632.
Tel: 0481 2538881

TAMIL NADU

KSE Limited
Swaminathapuram Unit, Swaminathapuram,
Dindigul Dist. - 642 113
Tel: 04252 252560, 252561, 252562, 252563
Fax: 04252 252565

KSE Limited
Dairy Unit, Thalayuthu
Tamil Nadu - 624 618 Tel: 04252 252861
Fax: 04252 252860

Production Units-out sourced

KSE Limited
V/679 J, Muppathadam P.O., Edayar,
Kochi - 683 110. Tel: 0484 2541070, 2559362

KSE Limited
Plot No. 71, Industrial Development Area,
Kochuveli, Titanium P. O.,
Thiruvananthapuram - 695 021
Tel: 0471 2501981

KSE Limited
NIDA, Menonpara Road, Kanjikode,
Palakkad - 678 621
Tel: 0491 2566922

Branch

KSE Limited
XXXIII / 2837, Paropadi, Merikkunnu P.O.,
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