



55th

**ANNUAL
REPORT**
2018-2019



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 Saturday,
31st August, 2019 at 3.00 p.m.

Venue

Registered Office,
Solvent Road, Irinjalakuda - 680 121

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BOARD OF DIRECTORS

Chairman

Dr. Jose Paul Thaliyath

Managing Director

A. P. George

Executive Director

M. P. Jackson

Directors

P. D. Anto

Paul Francis

Joseph Xavier

Sathi A. Menon

Paul John

K.C. Pyarelal

Danesa Raghulal

Marykutty Varghese

Financial Highlights

	2018-2019	2017-2018
	₹ in Lakhs	₹ in Lakhs
Sales and other Income	121706.96	130936.40
Gross Profit (Profit before Depreciation and Finance costs)	2098.36	11337.22
Profit before tax	1462.85	10865.04
Profit for the year (after tax)	942.61	6962.71
Other Comprehensive Income (net of tax)	(29.94)	(88.40)
Total Comprehensive Income (after tax)	912.67	6874.31
Shareholders' Equity (Net worth)	12977.15	14379.14
Capital employed	13689.47	15039.43
	₹	₹
Shareholders' equity per share	405.54	449.35
Earnings per share of ₹ 10 each	29.46	217.58
Proposed Dividend	150%	600%



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

NOTICE OF THE 55TH ANNUAL GENERAL MEETING

Notice is hereby given that the 55th Annual General Meeting of KSE Limited, Irinjalakuda will be held at the Registered Office of the Company on Saturday, the 31st August, 2019 at 3.00 p.m. to transact the following business:

ORDINARY BUSINESS

1. Adoption of Accounts for the year ended 31st March, 2019

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, 2019 including balance sheet as at 31st March, 2019 and the statement of profit and loss for the year ended 31st March, 2019 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 ₹ 15 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 ₹ 15 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, 2019 absorbing an amount of ₹ 5,78,66,541 (including dividend distribution tax and surcharge and cess thereon) and that the dividend of ₹ 15 per equity share of ₹ 10 each as recommended by the Board of Directors of the Company at their meeting held on 30th May, 2019 be paid to those shareholders, whose names appear in the Company's register of members as on 31st August, 2019 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, 2019 as per the details furnished by the depositories for this purpose.”

3. Reappointment of Director, retiring by rotation, Mr. Paul Francis (DIN : 00382797)

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

“RESOLVED THAT Mr. Paul Francis (DIN : 00382797), 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, Dr. Pyarelal K.C. (DIN : 00923913)

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

“RESOLVED THAT Dr. Pyarelal K.C. (DIN : 00923913), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a director of the Company.”

SPECIAL BUSINESS

5. Appointment of Auditors in the casual vacancy

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 139 (8) of the Companies Act, 2013 ('the Act') and other applicable provisions of the Act, if any, including any statutory modifications, amendments or re-enactments thereof, read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable, and pursuant to the recommendations of the Audit Committee, M/s. Sridhar & Co., Chartered Accountants, Thiruvanthapuram (ICAI Firm Registration No. 003978S) be and are hereby appointed as Statutory auditor of the company, to fill up the casual vacancy arising on the resignation of M/s. S. S. Ayyar & Co., Chartered Accountants, Kottayam (ICAI Firm Registration No. 050012 S) with effect from the conclusion of this Annual General Meeting, who shall hold the office as statutory auditor from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting on such remuneration and out-of-pocket, travelling and living expenses, as may be mutually agreed between the Board of Directors of the Company and the Auditors.

FURTHER RESOLVED THAT the Board of Directors, be and is hereby empowered and authorised to take such steps, in relation to the above and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution and to file necessary E Forms with Ministry of Company Affairs.”

6. 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.”

7. 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, 2020 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.”

8. 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 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. 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 and further on 13th September, 2018, after the special resolution moved in the Annual General Meeting held on 31st August, 2018 as Item 11 could not be passed with requisite majority of the votes polled but the votes cast in favour of the resolution exceeded the votes cast against the resolution, followed with the request of the Board for the approval of the Central Government for the said appointment, which is taken on record by the Ministry as communicated vide letter No. SRN H30393110/2/2018- CL-VII dated 10th April, 2019 by the Ministry of Corporate Affairs, New Delhi with a condition that the proposal shall be examined on receipt of a duly certified copy of members’ resolution passed in favour of the proposal :

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."

9. 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 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 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 agreement of the reappointment submitted to the meeting and initialled 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 and further on 13th September, 2018, after the special resolution moved in the Annual General Meeting held on 31st August, 2018 as Item 12 could not be passed with requisite majority of the votes polled but the votes cast in favour of the resolution exceeded the votes cast against the resolution, followed with the request of the Board for the approval of the Central Government for the said reappointment, which is taken on record by the Ministry as communicated vide letter No. SRN H30396725/2/2018- CL-VII dated 10th April, 2019 by the Ministry of Corporate Affairs, New Delhi with a condition that the proposal shall be examined on receipt of a duly certified copy of members' resolution passed in favour of the proposal :

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."

10. 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 an Ordinary Resolution:

"In terms of Sections 196, 197 read with Schedule V, 188, 202, 203 and other applicable provisions, if any, of the Companies Act, 2013, RESOLVED TO APPROVE the payment of ₹ 7,50,000 (Rupees Seven Lakhs Fifty Thousand only) to Mrs. Annie Paul, wife of Late M.C. Paul (DIN 00105776), which is equivalent to three month's last drawn salary of Late M.C. Paul, as Leave Salary and also to APPROVE the handing over of 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 ₹ 18,80,469 as on 14th February, 2019, 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."

11. Reappointment of Dr. Jose Paul Thaliyath (DIN: 01773031) as Independent Director

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

“RESOLVED that pursuant to Section 149 read with Schedule-IV, Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr. Jose Paul Thaliyath (DIN: 01773031), who was appointed as an Independent Director and who holds office as an Independent Director up to 24th September, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company not liable to retire by rotation and to hold office for a second term of five consecutive years, from 25th September, 2019 to 24th September, 2024.”

12. Reappointment of Mr. Joseph Xavier (DIN: 02943750) as Independent Director

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

“RESOLVED that pursuant to Section 149 read with Schedule-IV, Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Joseph Xavier (DIN: 02943750), who was appointed as an Independent Director and who holds office as an Independent Director upto 24th September, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company not liable to retire by rotation and to hold office for a second term of five consecutive years, from 25th September, 2019 to 24th September, 2024.”

13. Reappointment of Mr. Paul John (DIN: 00601440) as Independent Director

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

“RESOLVED that pursuant to Section 149 read with Schedule-IV, Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Paul John (DIN: 00601440), who was appointed as an Independent Director and who holds office as an Independent Director upto 25th September, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company not liable to retire by rotation and to hold office for a second term of five consecutive years, from 25th September, 2019 to 24th September, 2024.”

14. Appointment of Mr. Verghese CV (DIN: 00779894) as Independent Director

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

“RESOLVED that pursuant to Section 149 read with Schedule-IV, Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Verghese CV (DIN: 00779894), 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 Mr. Verghese CV (DIN: 00779894), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, as a candidate for the office of Independent Director of the Company, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, and to hold office for a period of five consecutive years from 25th September, 2019 to 24th September, 2024.”

Irinjalakuda
27-06-2019

REGISTERED OFFICE
Solvent Road, Irinjalakuda – 680121
Thrissur – KERALA.
CIN : L15331KL1963PLC002028
Web Site : www.kselimited.com
E Mail : investor.relations@kselimited.com
Phone : +91480 2825476; 2825576 (Extn: 212)

By Order of the Board
For KSE Limited

Sd/-

R. Sankaranarayanan
Chief Financial Officer and
Company Secretary

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, 2019 to 31st August, 2019 (both days inclusive).
9. The dividend, if declared at the Annual General Meeting, would be paid/despached on or after 1st September, 2019 to those persons or their mandates:
 - (a) whose names appear as Beneficial Owners as at the end of the business hours on 24th August, 2019 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, 2019.
10. Members may note that pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from 1st April, 2019, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository. However, it is clarified that, members can continue holding shares in physical form. Transfer of securities in demat form will facilitate convenience and ensure safety of transactions for investors. Members holding shares in physical form are requested to convert their holding(s) to dematerialized form to eliminate all risks associated with physical shares.
11. 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 2012 onwards are requested to lodge their claim with the Company.
12. As per the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012 (IEPF Rules), the Company has uploaded the information in respect of the Unclaimed Dividends relating to the financial years from 2011-2012, as on the date of the 54th Annual General Meeting (AGM) held on 31st August, 2018, on the website of the IEPF (www.iepf.gov.in) and on the website of the Company at www.kselimited.com.
13. 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.

14. 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.
15. 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.
16. 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.
17. 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.
18. 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.
19. 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.

20. 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, 2019, 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 55th Annual General Meeting scheduled to be held on Saturday, the 31st August, 2019 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, 2019 at 9.00 a.m. and ends on 30th August, 2019 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, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 30th August, 2019 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.

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

Item 5 - Appointment of Auditors

M/s. S. S. Ayyar & Co., Chartered Accountants, Kottayam (ICAI Firm Registration No. 050012 S) (hereinafter referred to as Outgoing Auditors) has expressed their desire to discontinue from the post of Statutory Auditor of the Company on the conclusion of the 55th Annual General Meeting to be held on 31st August, 2019 citing reasons including health grounds, resulting into a casual vacancy in the office of Statutory Auditors of the company as envisaged by section 139(8) of the Companies Act, 2013. Hence, for the audit of accounts of the company for the financial year 2019-20, the Board proposes the name of M/s. Sridhar & Co. (ICAI Firm Registration No. 003978S), Thiruvananthapuram to be appointed as Statutory Auditor of the company pursuant to the provisions of Section 139 (8) of the Companies Act, 2013. The Board of Directors of a Company cannot, except with the consent of Members in General Meeting by an ordinary resolution, appoint any person as an Auditor of the Company to fill the casual vacancy.

The Board at their meeting held on 30-05-2018 had fixed the professional fee payable to the outgoing Auditors for the statutory audit for the year ended 31st March, 2019 at ₹ 11.00 lakhs plus GST at applicable rates and out of pocket expenses, which will also cover all the certification works relating to and/or incorporated in the Annual Report for 2018-2019 and also for Limited Review Reports, Income-tax Audit and GST Audits for the year 2018-19. The Board has fixed a professional fee of ₹ 11.00 lakhs for M/s. Sridhar & Co. (ICAI Firm Registration No. 003978S), in consultation with them, if appointed in the ensuing 55th Annual General Meeting, for the statutory audit for the year ended 31st March, 2020, which will also cover all the certification works relating to and/or incorporated in the Annual Report for 2019-2020 and also for Limited Review Reports, Income-tax Audit and GST Audits for the year 2019-20.

M/s. Sridhar & Co., Chartered Accountants, established in year 1988 at Thiruvananthapuram by the Founder Partner CA. R. Sridhar, FCA, has now 10 Chartered Accountants as its partners, with around 50 staff, including qualified assistants, and trainees as audit team. They are/were statutory auditors/Branch Auditors for several banks, PSUs and other public limited companies. In the opinion of the Board, M/s. Sridhar & Co., Chartered accountants are capable of handling the audit of a company of the size, magnitude and diversity of KSE Limited. The Board of Directors recommends the Ordinary Resolution for the appointment of M/s. Sridhar & Co. as statutory auditors of the Company for the approval of the shareholders.

M/s. Sridhar & Co, Chartered Accountants have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013. None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company is, in any way, financially or otherwise, concerned or interested in the resolution.

Item 6 - 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 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. 6 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. 6 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. 6 of the Notice for approval by the Members.

Item 7 - 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, 2020 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. 7 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending 31st March, 2020.

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 8 & 9 - 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 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 appointment, that is, from 14th November, 2017 to 30th September, 2018 on a remuneration with salary at ₹ 2,30,000 per month plus bonus, other perquisites and allowances.

In the Annual General Meeting held on 31st August, 2018 a special resolution was moved for approval of the members for the appointment of Mr. A.P. George (DIN 00106808) as Managing Director of the Company as resolution No. 11. The said special resolution moved in the Annual General Meeting held on 31st August, 2018 could not be passed as the requisite majority of votes in favour of the resolution could not be obtained, but votes cast in favour of the motion exceed the votes cast against the motion and there was simple majority of votes in favour of the Resolution. Thereupon, the Board of Directors of the Company, in their meeting held on 13th September, 2018 had decided to apply for the approval of the Central Government for the appointment of Mr. A.P. George (DIN 00106808) as Managing Director of the Company for the period from 14th November, 2017 to 30th September, 2018, as provided under Section 196 of the Companies Act, 2013.

In response to the request of the Board, the Ministry of Corporate Affairs, New Delhi has vide their letter No. SRN H30393110/2/2018-CL-VII dated 10th April, 2019 intimated the Company that the application of the Company is taken on record by the Ministry and that the proposal would be examined for approval on receipt of a duly certified copy of the members' resolution passed in favour of the proposal along with copy of notice and explanatory statement pursuant to Section 102 of the Companies Act, 2013. Accordingly, once again an Ordinary Resolution has been moved as Item No. 8 for the approval of the members for the appointment of Mr. A.P. George (DIN 00106808) as Managing Director of the Company for the period from 14th November, 2017 to 30th September, 2018, on the same remuneration as originally decided by the Board in its meeting held on 14th November, 2017 and as specified in the Resolution No. 8 to this Notice.

The term of initial appointment of Mr. A.P. George (DIN 00106808) as Managing Director was expiring on 30th September, 2018. 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.

In the Annual General Meeting held on 31st August, 2018 a special resolution was moved for approval of the members for the reappointment of Mr. A.P. George (DIN 00106808) as Managing Director of the Company as resolution No. 12. The said special resolution moved in the Annual General Meeting held on 31st August, 2018 could not be passed as the requisite majority of votes in favour of the resolution could not be obtained, but votes cast in favour of the motion exceed the votes cast against the motion and there was simple majority of votes in favour of the Resolution. Thereupon, the Board of Directors of the Company, in their meeting held on 13th September, 2018 had decided to apply for the approval of the Central Government for the appointment of Mr. A.P. George (DIN 00106808) as Managing Director of the Company for the period from 1st October, 2018 to 30th September, 2021, as provided under Section 196 of the Companies Act, 2013.

In response to the request of the Board, the Ministry of Corporate Affairs, New Delhi has vide their letter No. SRN H30396725/2/2018- CL-VII dated 10th April, 2019 intimated the Company that the application of the Company is taken on record by the Ministry and that the proposal would be examined for approval on receipt of a duly certified copy of the members' resolution passed in favour of the proposal along with copy of notice and explanatory statement pursuant to Section 102 of the Companies Act, 2013. Accordingly, once again an Ordinary Resolution has been moved as Item No. 9 for the approval of the members for the appointment of Mr. A.P. George (DIN 00106808) as Managing Director of the Company for the period from 1st October, 2018 to 30th September, 2021, on the same remuneration as originally decided by the Board in its meeting held on 30th May, 2018 and as specified in the Resolution No. 9 to this Notice.

Shri. A.P. George (DIN 00106808) has put in selfless service to achieve positive results in the growth of the company and in case his appointment as Managing Director is not confirmed, it would cause irreparable harm and injury to the reputation of the company and also Shri. A. P. George who is a very well-known personality in the locality having occupied numerous important positions in the Society and Local Self Government Bodies, was a Senior Advocate, and a highly respected individual with unblemished track record having sincerely and honestly worked for the company whereby the present secure financial status has been achieved. As Kerala is a highly labour active state, it was the deft handling of labour issues by Shri. A.P. George that has kept the labour force of about 1000 employees free from major issues though each of the Unit of the company have three to five politically affiliated Unions. It would be gross injustice being meted out to Shri. A. P. George if the application is rejected and he is unceremoniously removed from the establishment to which he had rendered his lifetime of sincere and dedicated service. It would only be in the fitness of things that the Patriarch of the company is given his due and allowed to be the Managing Director of the company for the abovementioned periods.

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.

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. 8 and 9, is fully justified.

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, except that he has crossed the age of 70. 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 or Key Managerial Personnel of the Company or their relatives, except Mr. A.P. George, to the extent of remuneration payable to him, is concerned or interested, financial or otherwise, in the Resolutions No. 8 and 9.

The Board of Directors recommends for the approval of the shareholders of the Company, the Resolution No. 8 for the appointment of Mr. A.P. George (DIN 00106808) as Managing Director, and the Resolution No. 9 for his reappointment as Managing Director.

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 2018-19	₹ in Lakhs
		Total Revenue – Revenue from operations and Other Income	121,706.96
		Profit Before tax	1462.85
		Tax Expense	520.24
		Total comprehensive income (net of tax)	912.67
		Net worth	12,977.15
5.	Foreign investments or collaborations	Nil	
II	INFORMATION ABOUT APPOINTEE		
1.	Back Ground Details	As narrated above	
2.	Past Remuneration	For financial year 2018-19 - ₹ 40.71 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 and his rights as a Shareholder. Further, the details of certain arm's length transactions with the Company are furnished in Note 34.13 to the financial statements for the year ended 31 st March 2019, 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 ₹ 912.67 lakhs during the year ended 31 st March, 2019.	
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 10 - 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 resolution for approval of members was moved as a special resolution, in the annual general meeting held on 31st August, 2018. The said special resolution moved in the Annual General Meeting held on 31st August, 2018 could not be passed as the requisite majority of votes in favour of the resolutions could not be obtained, but votes cast in favour of the motion exceed the votes cast against the motion and there is simple majority of votes in favour of the Resolution.

It is advised that the payment of ₹ 7.50 lakhs and handing over of the Benz car owned by the company are consideration for retirement from office or in connection with such retirement as provided under section 202 of the Companies Act, 2013, which shall be approved by the members by an Ordinary Resolution. Thereupon, the Board of Directors, in their meeting held on 14-02-2019 had decided to handover the said amount of ₹ 7.50 lakhs and the car to Mrs. Annie Paul, subject to approval of the shareholders in the ensuing annual general meeting, by an ordinary resolution. Accordingly, the said sum of ₹ 7.50 lakhs and the car has been handed over to Mrs. Annie Paul.

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 14th February, 2019 is ₹ 18,80,469.

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.

The Board of Directors recommends the ordinary resolution, for approving the payment of above posthumous retirement benefits to the wife of Late M.C. Paul, for the approval of shareholders.

Except Mr. M.P. Jackson (DIN 01889504), Executive Director of the Company, who is son of Mrs. Annie Paul and Late M.C. Paul, none of the Directors or Key Managerial Personnel of the Company or their relatives, is concerned or interested, financial or otherwise, in the Resolutions No. 10.

Item 11 - Reappointment of Dr. Jose Paul Thaliyath (DIN: 01773031) as Independent Director

Dr. Jose Paul Thaliyath (DIN 01773031), is having post graduate degree in Anaesthesiology and is presently serving as Consultant Anaesthesiologist in a leading private hospital. He hails from a respectable business family of Irinjalakuda, reputed for their expertise in oil milling and cashew processing and he is having immense knowledge in those industries. He has joined as a Director of the Company effective from 01.09.2007. He was appointed as an Independent Director of the Company for a period of five years effective from 25th September, 2014. He is also acting as the Chairman of the Board effective from 23rd October, 2014. He is acting as member of Audit Committee of the Company with effect from 01.01.2010. He is a member of the Corporate Social Responsibility Committee effective from 14.11.2017. He was a member of Remuneration Committee of the Company with effect from 01.09.2007 to 10.03.2015. He had also acted as member of the Shareholders'/Investors' Grievance Committee of the Company from 28.08.2008 to 29.12.2009.

The period of appointment of Dr. Jose Paul Thaliyath (DIN 01773031) as independent director of the Company is expiring on 24th September, 2019. In terms of Section 149 (10) of the Companies Act, 2013, he is eligible for reappointment as Independent Director of the Company for a further period of five years on passing a special resolution by the Company. In the opinion of the Board, Dr. Jose Paul Thaliyath fulfils the conditions for his reappointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and he is independent of the management. The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Dr. Jose Paul Thaliyath (DIN 01773031) as an Independent Director for a second term of five consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Dr. Jose Paul Thaliyath (DIN 01773031) would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, it is proposed to re-appoint Dr. Jose Paul Thaliyath (DIN 01773031) as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years on the Board of the Company.

Dr. Jose Paul Thaliyath (DIN 01773031) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. Copy of the draft letter for reappointment of Dr. Jose Paul Thaliyath as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

The Company has also received declaration from Dr. Jose Paul Thaliyath (DIN 01773031) that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, Dr. Jose Paul Thaliyath (DIN 01773031) fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. Dr. Jose Paul Thaliyath (DIN 01773031) is independent of the management.

He shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever, as may be decided by the Board, and reimbursement of expenses for participating in the Board and other meetings within the limits stipulated under Section 197 of the Companies Act, 2013.

This statement may also be regarded as a disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further information about Dr. Jose Paul Thaliyath (DIN 01773031), in accordance with the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached.

Dr. Jose Paul Thaliyath (DIN 01773031) is interested in the resolution set out at Item No. 11 of the Notice with regard to his reappointment. Relatives of Dr. Jose Paul Thaliyath (DIN 01773031) may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the special resolution in relation to the reappointment of Dr. Jose Paul Thaliyath (DIN 01773031), as Independent Director of the Company for a period of five consecutive years from 25th September, 2019 to 24th September, 2024, for the approval of the shareholders of the Company.

12. Reappointment of Mr. Joseph Xavier (DIN: 02943750) as Independent Director

Mr. Joseph Xavier (DIN: 02943750) hails from a business family engaged in oil milling, construction and plantations. He is a Post Graduate in Economics and has experience in trading and manufacturing for over 25 years. He was a member of the Stakeholders Relationship Committee of the Company from 29.07.2010 to 06.10.2014. He is again nominated as a member of the Stakeholders Relationship Committee from 01.04.2019. He is the member of the Nomination and Remuneration Committee from 06.10.2014 and is the Chairman of the Committee from 10.03.2015. He is a member of the Audit Committee with effect from 14.11.2017. He was also a member of the Corporate Social Responsibility Committee of the Company from 06.10.2014 to 14.11.2017.

The period of appointment of Mr. Joseph Xavier (DIN: 02943750) as independent director of the Company is expiring on 24th September, 2019. In terms of Section 149 (10) of the Companies Act, 2013, he is eligible for reappointment as Independent Director of the Company for a further period of five years on passing a special resolution by the Company. In the opinion of the Board, Mr. Joseph Xavier (DIN: 02943750) fulfils the conditions for his reappointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and he is independent of the management. The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Joseph Xavier (DIN: 02943750) as an Independent Director for a second term of five consecutive years on the Board of the Company. The Board, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Mr. Joseph Xavier (DIN: 02943750) would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, it is proposed to re-appoint Mr. Joseph Xavier (DIN: 02943750) as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years on the Board of the Company.

Mr. Joseph Xavier (DIN: 02943750) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. Copy of the draft letter for reappointment of Mr. Joseph Xavier (DIN: 02943750) as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

The Company has also received declaration from Mr. Joseph Xavier (DIN: 02943750) that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, Mr. Joseph Xavier (DIN: 02943750) fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Joseph Xavier (DIN: 02943750) is independent of the management.

He shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever, as may be decided by the Board, and reimbursement of expenses for participating in the Board and other meetings within the limits stipulated under Section 197 of the Companies Act, 2013.

This statement may also be regarded as a disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further information about Mr. Joseph Xavier (DIN: 02943750), in accordance with the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached.

Mr. Joseph Xavier (DIN: 02943750) is interested in the resolution set out at Item No. 12 of the Notice with regard to his reappointment. Relatives of Mr. Joseph Xavier (DIN: 02943750) may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the special resolution in relation to the reappointment of Mr. Joseph Xavier (DIN: 02943750) as Independent Director of the Company for a period of five consecutive years from 25th September, 2019 to 24th September, 2024, for the approval of the shareholders of the Company.

13. Reappointment of Mr. Paul John (DIN: 00601440) as Independent Director

Mr. Paul John (DIN: 00601440) was appointed as an Independent Director of the Company by the Board in their meeting held on 12th February, 2015 for the period upto 25th September, 2019, which was subsequently approved by the members in the General Meeting held on 19th September, 2015.

Mr. Paul John (DIN: 00601440) hails from a respectable business family of Irinjalakuda engaged primarily in oil mill industry. He is also engaged in cashew business. He has graduated Civil Engineering. He has been nominated as a member of the Audit Committee from 10.03.2015. He was also a member of the Nomination and Remuneration Committee of the Company from 10.03.2015 to 30.05.2018. From 30.05.2018, he was nominated to the Corporate Social Responsibility Committee as Chairman of the Committee.

The period of appointment of Mr. Paul John (DIN: 00601440) as independent director of the Company is expiring on 25th September, 2019. In terms of Section 149 (10) of the Companies Act, 2013, he is eligible for reappointment as Independent Director of the Company for a further period of five years on passing a special resolution by the Company. In the opinion of the Board, Mr. Paul John (DIN: 00601440) fulfils the conditions for his reappointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and he is independent of the management. The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Paul John (DIN: 00601440) as an Independent Director for a second term of five consecutive years on the Board of the Company. The Board, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Mr. Paul John (DIN: 00601440) would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, it is proposed to re-appoint Mr. Paul John (DIN: 00601440) as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years on the Board of the Company.

Mr. Paul John (DIN: 00601440) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. Copy of the draft letter for reappointment of Mr. Paul John (DIN: 00601440) as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

The Company has also received declaration from Mr. Paul John (DIN: 00601440) that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, Mr. Paul John (DIN: 00601440) fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Paul John (DIN: 00601440) is independent of the management.

He shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board and reimbursement of expenses for participating in the Board and other meetings within the limits stipulated under Section 197 of the Companies Act, 2013.

This statement may also be regarded as a disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further information about Mr. Paul John (DIN: 00601440), in accordance with the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached.

Mr. Paul John (DIN: 00601440) is interested in the resolution set out at Item No. 13 of the Notice with regard to his reappointment. Relatives of Mr. Paul John (DIN: 00601440) may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the special resolution in relation to the reappointment of Mr. Paul John (DIN: 00601440), as Independent Director of the Company, for a period of five consecutive years from 25th September, 2019 to 24th September, 2024, for the approval of the shareholders of the Company.

14. Appointment of Mr. Verghese CV (DIN: 00779894) as Independent Director

The period of appointment of Mrs. Sathi A. Menon (DIN 06931857) as Independent Director of the Company is expiring on 24th September, 2019. She had informed the Board that she do not wish to continue in the Board as an Independent Director for a second term. The Company has received notice in writing under Section 160 of the Companies Act, 2013 from a member signifying the intention to propose his candidature for appointment as an Independent Director of the Company. Mr. Verghese CV (DIN:00779894), aged 66 is a practicing chartered accountant and the Senior Partner in M/s. Cheeran Verghese & Co., Chartered Accountants, Thrissur, with wide knowledge in taxation and financial reporting. He is past Chairman of the Thrissur Branch of Institute of Chartered Accountants of India, past President of Rotary Club, Thrissur west, past President of Thrissur Tennis Trust, past Vice President of YMCA, Thrissur and member of several trade and other organisations. He has written several articles in professional journals and authored a book on "Law of Chitties".

In the opinion of the Board, Mr. Verghese CV (DIN: 00779894) fulfils the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and he is independent of the management. The Nomination and Remuneration Committee of the Board of Directors, has recommended appointment of Mr. Verghese CV (DIN: 00779894) as an Independent Director for a period of five consecutive years on the Board of the Company. The Board, as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background and experience, the appointment of Mr. Verghese CV (DIN: 00779894) as an Independent Director would be beneficial to the Company and it is desirable to avail his services as an Independent Director. Accordingly, it is proposed to appoint Mr. Verghese CV (DIN: 00779894) as an Independent Director, not liable to retire by rotation, for a term of five consecutive years, on the Board of the Company.

Mr. Verghese CV (DIN: 00779894) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. Copy of the draft letter for appointment of Mr. Verghese CV (DIN: 00779894) as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

The Company has also received declaration from Mr. Verghese CV (DIN: 00779894) that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, Mr. Verghese CV (DIN: 00779894) fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Verghese CV (DIN: .00779894) is independent of the management.

He shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever, as may be decided by the Board, and reimbursement of expenses for participating in the Board and other meetings within the limits stipulated under Section 197 of the Companies Act, 2013.

This statement may also be regarded as a disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further information about Mr. Verghese CV (DIN: 00779894), in accordance with the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached.

None of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the resolution in relation to the appointment of Mr. Verghese CV (DIN: 00779894), as Independent Director of the Company for a period of five consecutive years from 25th September, 2019 to 24th September, 2024, for the approval of the shareholders of the Company.

Irinjalakuda
27-06-2019

By Order of the Board
For KSE Limited

Sd/-

REGISTERED OFFICE
Solvent Road, Irinjalakuda – 680121
Thrissur – KERALA.
CIN : L15331KL1963PLC002028
Web Site : www.kselimited.com
E Mail : investor.relations@kselimited.com
Phone : +91480 2825476; 2825576 (Extn: 212)

R. Sankaranarayanan
Chief Financial Officer and
Company Secretary

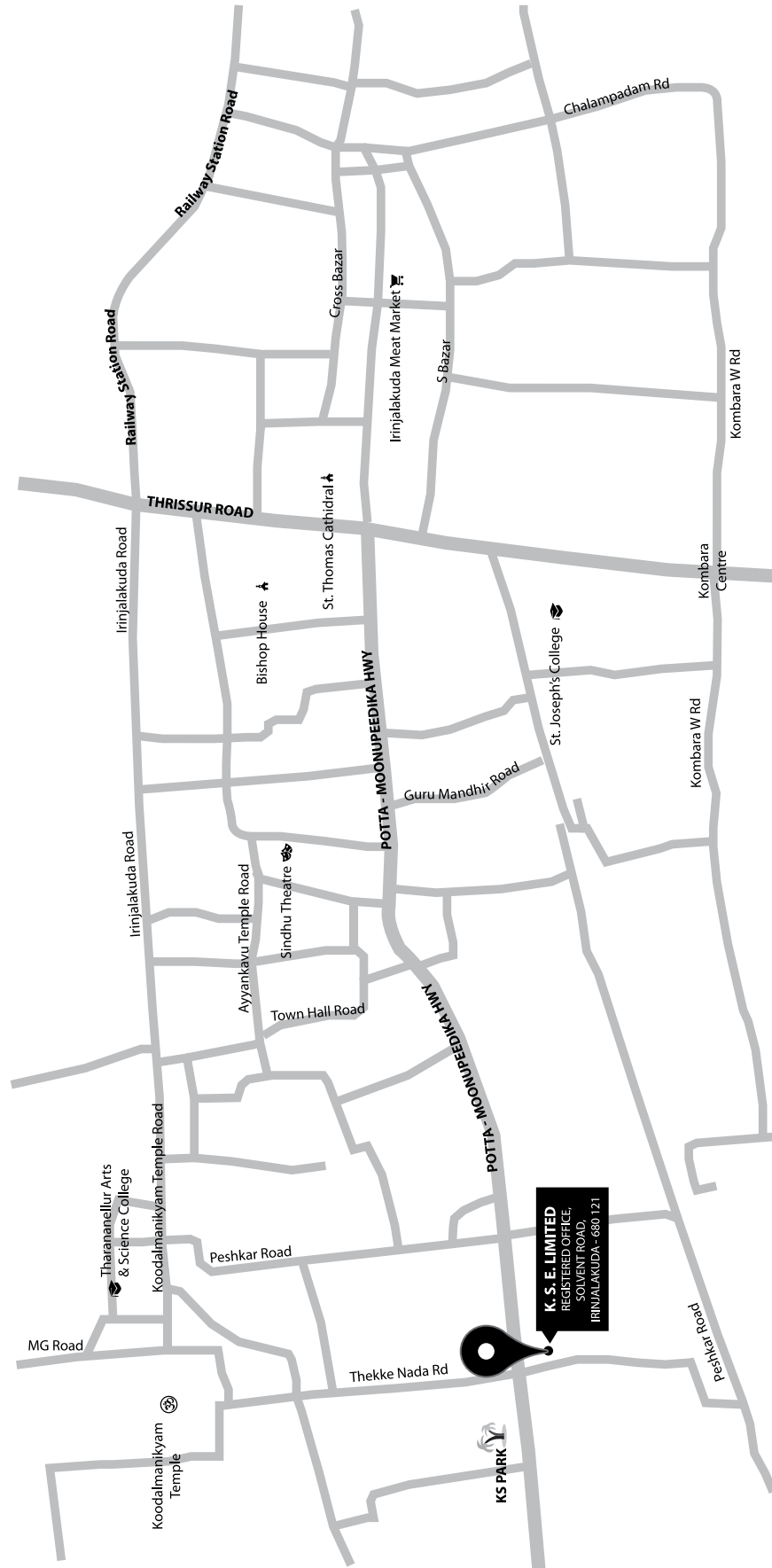
Details of Directors Seeking Appointment/Re-appointment at the Annual General Meeting

Resolution No.	Item 3	Item 4	Item 8 & 9
Name of Directors	Mr. Paul Francis (DIN: 00382797)	Dr. Pyarelal K.C. (DIN: 00923913)	Mr. A.P. George (DIN: 00106808)
Date of Birth	30/01/1968	16/04/1966	19/10/1935
Date of Appointment	14/11/2017	31/08/2018	25/09/1963
Qualification	HSE	M.D. (Radio-Diagnosis)	B.A., B.L.
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. Chathunny 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.	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	Director in Catholic Union Chitties Ltd. (CIN: U65992KL1929PLC000191)
Memberships / Chairmanships of committees of other Public Limited companies	Nil	Nil	Nil
Number of shares held in the Company as on 31.03.2019	23,600	20,847	50,204

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

Resolution No.	Item 11	Item 12	Item 13	Item 14
Name of Directors	Dr. Jose Paul Thaliyath (DIN 01773031)	Mr. Joseph Xavier (DIN: 02943750)	Mr. Paul John (DIN: 00601440)	Mr. Verghese CV (DIN:00779894)
Date of Birth	22/07/1951	24/12/1964	18/03/1956	18/01/1953
Date of Appointment	01/09/2007	29/01/2010	12/02/2015	Proposed for appointment at AGM w.e.f. 25.09.2019
Qualification	MBBS, D.A., M.D.	M.A.(Economics)	B.E. (Civil)	B.Sc., F.C.A.
Experience	Presently serving as Consultant Anaesthesiologist in a leading private hospital. He hails from a respectable business family of Irinjalakuda, reputed for their expertise in oil milling and cashew processing and he is having immense knowledge in those industries. He was appointed as an Independent Director of the Company for a period of five years effective from 25 th September, 2014. He is also acting as the Chairman of the Board effective from 23 rd October, 2014. He is acting as member of Audit Committee of the Company with effect from 01.01.2010. He is a member of the Corporate Social Responsibility Committee effective from 14.11.2017.	Hails from a business family engaged in oil milling, construction and plantations. He is a Post Graduate in Economics and has experience in trading and manufacturing for over 25 years. He was appointed as an Independent Director of the Company for a period of five years effective from 25 th September, 2014. He is the member of the Nomination and Remuneration Committee from 06.10.2014 and is the Chairman of the Committee from 10.03.2015. He is a member of the Audit Committee with effect from 14.11.2017. He was also a member of the Corporate Social Responsibility Committee of the Company from 06.10.2014 to 14.11.2017.	He hails from a respectable business family of Irinjalakuda engaged primarily in oil mill industry. He is also engaged in cashew business. He is a Director in KPL Oil Mills Pvt. Ltd., a leading oil milling unit located at Irinjalakuda. He has been nominated as a member of the Audit Committee from 10.03.2015. He was also a member of the Nomination and Remuneration Committee of the Company from 10.03.2015 to 30.05.2018. From 30.05.2018, he was nominated to the Corporate Social Responsibility Committee as Chairman of the Committee.	He is a practicing chartered accountant and the Senior Partner in M/s. Cheeran Verghese & Co., Chartered Accountants, Thrissur, with wide knowledge in taxation and financial reporting. He is past Chairman of the Thrissur Branch of Institute of Chartered Accountants of India, past President of Rotary Club, Thrissur west, past President of Thrissur Tennis Trust, past Vice President of YMCA, Thrissur and member of several trade and other organisations. He has written several articles in professional journals and authored a book on "Law of Chitties".
Directorships held in other Public Limited companies	Nil	Nil	Nil	Nil
Memberships/Chairmanships of committees of other Public Limited companies	Nil	Nil	Nil	Nil
Number of shares held in the Company as on 31.03.2019	30,017	18,107	4,400	Nil

MAP SHOWING THE LOCATION OF THE VENUE OF 55th ANNUAL GENERAL MEETING OF KSE LIMITED ON 31st AUGUST, 2019



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

BOARD'S REPORT

Your Directors are pleased to present the 55th Annual Report and the audited accounts for the financial year ended 31st March 2019.

Financial Highlights

	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
Revenue from Operations	1,20,940.70	1,30,417.33
Earnings Before Taxes, Finance Costs, Depreciation and Amortization	2,098.36	11,337.22
Less : Finance Costs	130.85	119.91
Less : Depreciation and Amortisation expense	334.16	352.27
Profit Before Exceptional Item and Tax	1,633.35	10,865.04
Exceptional Item	170.50	—
Profit Before Tax	1,462.85	10,865.04
Less : Tax Expense	520.24	3,902.33
Profit After Tax	942.61	6,962.71
Other Comprehensive Income (net of tax)	(29.94)	(88.40)
Total Comprehensive Income	912.67	6,874.31
Opening balance in Retained Earnings	5,360.75	2,141.87
AMOUNT AVAILABLE FOR APPROPRIATION	6,273.42	9,016.18
Dividend distributed during the year - Final	1,920.00	960.00
Dividend Distribution Tax on above	394.66	195.43
Transfer to General Reserve	200.00	2,500.00
Closing Balance in Retained Earnings	3,758.76	5,360.75

Dividend

Your Directors recommend a dividend of 150 % (₹ 15.00 per share of ₹ 10 each) for the year ended 31st March, 2019, out of the profits of the Company for the year ended 31st March, 2019, absorbing a total amount of ₹ 5,78,66,541 (including dividend distribution tax and cess thereon). The dividend of ₹ 15 per equity share of ₹ 10 each as recommended by the Board of Directors of the Company at their meeting held on 30th May, 2019, 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, 2019. 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, 2019 as per the details furnished by the depositories for this purpose."

The dividend payout for the year 2018-19 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 2010-11 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, 2018 (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.

The dates of declaration of Dividend since 2011-12 and the corresponding dates when unclaimed dividends are due to be transferred to the Central Government are given in the following table:

Financial Year	Date of Declaration of Dividend	Last date for claiming unpaid dividend	Unclaimed amount as on 31 st March 2019	Due date for Transfer to Investor Education and Protection Fund
2011-12 (Final Dividend)	31 July, 2012	30 July, 2019	6,18,618	30 August, 2019
2012-13 (Final Dividend)	31 July, 2013	30 July, 2020	4,91,970	30 August, 2020
2013-14 (Final Dividend)	25 September, 2014	24 September, 2021	12,62,880	24 October, 2021
2014-15 (Interim Dividend)	12 February, 2015	11 February, 2022	5,72,600	14 March, 2022
2014-15 (Interim Dividend)	25 March, 2015	24 March, 2022	11,05,240	24 April, 2022
2014-15 (Final Dividend)	19 September, 2015	18 September, 2022	10,13,520	19 October, 2022
2015-16 (Final Dividend)	31 August, 2016	30 August, 2023	13,31,700	30 September, 2023
2016-17 (Final Dividend)	31 August, 2017	30 August, 2024	18,96,750	30 September, 2024
2017-18 (Final Dividend)	31 August, 2018	30 August, 2025	27,51,360	30 September, 2025

Transfer to Reserves

The Company proposes to transfer ₹ 200 lakhs to the General Reserve out of amount available for appropriations and an amount of ₹ 3,758.76 lakhs is proposed to be retained as Surplus.

Operating Results and Business Operations

During the year ended 31st March, 2019, the Revenue from Operations declined by 7.27 % to ₹ 1209 crores from ₹ 1304 crores, ₹ 95 crores in absolute terms. In year 2017-18 we had sold raw materials worth ₹ 98.33 crores to third party manufacturers and bought back from them, the finished products produced out of it, and thus the Revenue for that year was higher to that extend. Further, there is a slow-down in the sale of coconut oil in the last quarter of year 2018-19 and the stock of oil has gone up by over 2100 tons in March, 2019, on a year to year basis, the reasons thereto has been explained below. This also would have affected the turnover by around ₹ 25.00 crores. Apart from the above two factors, the turnover of all the other products have improved, compared to previous year.

The over-all profit after tax was ₹ 9.13 crores in year 2018-19 compared to ₹ 68.74 crores in the previous year. While the year 2017-18 was the most favourable year in the history of the Company, the year 2018-19 was just opposite to that. In year 2017-18, all the factors controlling the margins of the Company was in favour of the Company for most part of the year. In that year, the cost of ingredients for the animal feed has declined considerably, compared to earlier 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 in that year. However, in year 2018-19 the situation went upside down from September, 2018 onwards. The price of cattle feed ingredients started moving upward unchecked and in order to reduce the loss, we tried to adjust the selling price of feed, with absolute restriction, as the milk price is kept stable for over two years by the Government. While, the average ingredient cost of feed moved up by 20%, we could increase the selling price of feed by 10% only, which hurt the margins heavily. However, we ensured steady supply to the market, without any reduction in the volume and without loosing the market, in the long term interest of the Company. The sales volume of feed has gone up by 5% from 5.33 lakhs tons in year 2017-18 to 5.60 lakhs tons in year 2018-19. For the above reasons and the measures adopted by us, we could curtail the loss in the feed division for the year 2018-19 at ₹ 1.91 crores as per segment results.

In the cake processing division, the availability of local copra cake was limited as the yield of coconut has been adversely affected in Kerala as well as in Tamil Nadu. We had mainly depended on the imported copra cake for our processing during the year 2018-19. Thus we could maintain the average price level of copra cake around ₹ 23,000 per ton. The selling price of refined coconut oil had a steep fall from ₹ 180/kg. level in the year beginning to ₹ 116/kg. at the end of the year. In the month of December, 2018, there was wide media coverage on the coconut oil market, and on the adulterations going on in the industry, which had seriously affected the market. Followed with this, there was strict check on the parameters of the coconut oil by the government officials, which indirectly affected the coconut oil market, including the genuine market. As a result, the demand for our refined coconut oil has considerably reduced and stock of oil had gone up by over 2100 tons than the normal level stocks. We were also forced to sell the refined oil and the raw oil at reduced rates.

Availability of cheaper oils like palm oil etc. had seriously affected the coconut oil market. Still the demand for the oil has not picked up. However, we are sure that the coconut oil market will regain its momentum soon.

While importing copra cake through Cochin Port, due to certain conditions imposed by the Customs, as part of an investigation by Department of Revenue Intelligence, 5517 tons of copra cake imported between 23.10.2018 to 29.12.2018 could not be cleared immediately and was held up at port. Though, after completing the investigation the cargo was unconditionally released by the Customs, the Company had to incur additional cost like container detention charges and other incidental expenses in total amounting to Rs. 170.50 lakhs (net of GST). Since the said additional costs are not of routine nature the same has been considered as Exceptional Items and shown separately.

Along with the increase in the sales volume of animal feed, the quantity of cake processed in year 2018-19 also improved by 7.00 % from 96,709 tons in the previous year to 1,03,502 tons in the year under report. Despite all the adversities discussed above, the cake processing division reported a profit of ₹ 15.79 crores for the year 2018 -19 compared to a profit of ₹ 38.84 crores in the previous year.

The volume of sales of ice cream also improved by 6.00 % to 1290 kl. in 2018-19, compared to 1217 kl. in the previous year, by effective marketing, especially in the southern region of Kerala, even though the margins on ice cream were under strain. The sale of milk also marginally improved by 1.25 % at 4327 lakhs litres. The sustained margin in milk sales helped to generate a segment profit of Dairy division at ₹ 63.34 lakhs compared to previous year profit of ₹ 197.51 lakhs. We are taking all efforts to improve the production and sale volume of milk and ice cream.

The heavy southwest monsoon in August, 2018 had wreaked havoc in Kerala as water levels rose in rivers and reservoirs and the shutters of all dams in Kerala were opened and many parts of Kerala was under water for several days. Lakhs and lakhs of homes were submerged under water for many days. Few lost their lives, many lost their homes and belongings on the aftermath of heavy rain and land-slides. Many farmers could not save their cattle while fleeing for safety. The hay, grass and feed meant for cattle were submerged in water and farmers found it difficult to maintain the cattle when water was rising everywhere to above the neck level. The entire State rose to the occasion, the Keralite joined together, ignoring religion, caste, creed and political affiliations, to combat the flood and save the precious life. Relief camps and relief works started immediately. The various functionaries, departments etc. of the Government worked hard to coordinate the relief work. On knowing the gravity of the situation, the whole country, joined in the Kerala recovery mission. All the Units of the Company in Kerala was safe and was fully functional during the flood, except in Konikkara Unit, where the ground floor was submerged by flood, wherein the electrical panel and Generator set were installed and hence the plant had to be temporarily shut down for a few days and as a result stock of finished goods worth ₹ 15.00 lakhs was lost in that Unit. In order to help the flood affected farmers, we had distributed cattle feed worth ₹ 13.88 lakhs free of cost. In addition to extending helps to the nearby relief camps, we had also contributed a sum of ₹ 25.00 lakhs to the Kerala Chief Ministers Distress Relief Fund.

The feed ingredient prices are likely to be continued at higher levels for a few months till the next crop season. We are adjusting the selling price of feed to match with the higher cost of ingredients to avoid heavy loss. However, the profitability in the feed division will be under severe strain for a few months. The limelight is that we are having sustained demand for our cattle feed and are hopeful of suitable correction of selling price in tune with ingredient prices.

We firmly believe that the sales volume of cattle feed will further improve in the current financial year. 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 2019-20 the availability of local copra cake is under strain. The price for local copra cake is under control, as sufficient quantity of cake is available by imports. To cover up our requirements of copra cake, we are supplementing with imported copra cake. The imported 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 ₹ 128/kg. at present, which is expected to fall further. Entry of coconut oils mixed with spurious cheaper oils may destroy the market for genuine coconut oil. As such the demand for refined coconut oil is very weak and we find it hard to sell the oil in stock. If the the demand for the oil continues at this level, the profitability of the Cake Processing Division may be affected.

We are taking all steps to widen the market for ice cream and milk 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 milk 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.

Misappropriation of funds by an employee

Misappropriation of funds to the tune of ₹ 39.67 lakhs, by an employee has been found out during the year ended 31st March, 2019 by the Company, and suitable remedial action has been taken to prevent occurrence of similar instances. A sum of ₹ 5 lakhs has been collected from that employee. Provision has been made for the balance amount in the books, though the Company is hopeful of realising the balance amount.

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 2017-18. This Award is being received by the Company for the past 28 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 untimely death of Dr. K.C. Vijayaraghavan on 19th April, 2018, in his place Dr. Pyarelal K.C. was appointed as a director in the annual general meeting of the Company held on 31-08-2018. Mr. T. R. Raghulal resigned as director effective from 30th May, 2018 and in his place Ms. Danesa Raghulal was appointed in the annual general meeting of the Company held on 31-08-2018.

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.

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.

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.

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. In the Board Meeting held on 30th May, 2018, Mr. A.P. George was reappointed as Managing Director of the Company, for a period of three years from 1st October, 2018, as his then term of appointment was expiring on 30th September 2018. Two special resolutions were moved in the annual general meeting held on 31st August, 2018 for getting approval of the shareholders for the appointment and reappointment of Mr. A.P. George as mentioned above. The said special resolutions moved in the Annual General Meeting held on 31st August, 2018 could not be passed as the requisite majority of votes in favour of the resolutions could not be obtained, but votes cast in favour of the motion exceed the votes cast against the motion and there is simple majority of votes in favour of the Resolution. Thereupon, the Board of Directors of the Company, in their meeting held on 13th September, 2018 had decided to apply for the approval of the Central Government for the appointment of Mr. A.P. George as Managing Director of the Company for the period from 14th November, 2017 to 30th September, 2018, and also for the period from 1st October, 2018 to 30th September, 2021, as provided under Section 196 of the Companies Act, 2013.

In response to the request of the Board, the Ministry of Corporate Affairs, New Delhi has intimated to the Company that the applications of the Company are taken on record by the Ministry and that the proposal would be examined for approval on receipt of a duly certified copy of the members' resolution passed in favour of the proposal along with copy of notice and explanatory statement pursuant to Section 102 of the Companies Act, 2013. Accordingly, two Ordinary Resolutions will be moved in the ensuing annual general meeting for the approval of the members for the appointment of Mr. A.P. George as Managing Director of the Company for the period from 14th November, 2017 to 30th September, 2018 and from 1st October, 2018 to 30th September, 2021, on the same remuneration as originally decided by the Board in the respective meetings held on 14th November, 2017 and 30th May, 2018. The appointment / reappointment of Mr. A.P. George as Managing Director by the Board of Directors and the remuneration paid to him in accordance to the said appointment/reappointment are subject to approval of the Central Government as mentioned above.

The first term of appointment of all the independent directors expires in September, 2019. The Board had decided to propose in the ensuing annual general meeting for reappointing Dr. Jose Paul Thaliyath, Mr. Joseph Xavier and Mr. Paul John as Independent Directors of the Company for a further period of five years by passing special resolutions by the Company, in terms of Section 149 (10) of the Companies Act, 2013.

Mrs. Sathi A. Menon had informed the Board that she do not wish to continue in the Board as an Independent Director for a second term. The Company has received notice in writing under Section 160 of the Companies Act, 2013 from a member signifying the intention to propose Mr. Verghese CV for appointment as an Independent Director of the Company. Mr. Verghese CV, aged 66, is a practicing chartered accountant and the Senior Partner in M/s. Cheeran Verghese & Co., Chartered Accountants, Thrissur, with wide knowledge in taxation and financial reporting.

In the opinion of the Board all the above four candidates fulfil the conditions for their reappointment/appointment as an Independent Directors as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent of the management. The Board, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given their background and experience and contributions made by them during their tenure, their association with the Company would be beneficial to the Company and it is desirable to avail their services as Independent Directors. Accordingly, four resolutions are proposed in the ensuing annual general meeting to re-appoint/appoint them as Independent Directors of the Company.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Paul Francis and Dr. Pyarelal K.C. will retire by rotation at the ensuing annual general meeting and being eligible, offer themselves for re-appointment.

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. 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 can be accessed on the Company's website at the link: <http://kselimited.com> under Investor Relations.

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 can be accessed on the Company's website at the link: <http://kselimited.com> under Investor Relations.

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, 2019. 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, 2019, 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, 2019 and of the profit of the Company for the financial year ended 31st March, 2019;
- (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, 2019 is given separately as “Annexure A”, 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 B”.

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. 34.13 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 C” 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 D” 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, 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 2018-19 on the financial statements of the Company is part of this Annual Report. The Auditors have issued an unmodified opinion on the Financial Statements for the financial year ended 31st March, 2019. Unpaid dividend accounts relating to financial years 2009-10 and 2010-11 were transferred, after the expiry of the statutory period, to the Investor Education and Protection Fund (IEPF), whereby these balances were wiped off from the books of accounts. However, the bank's confirmation of balance as on 31.03.2019 reveals balance of ₹ 0.01 lakh and ₹ 0.17 lakhs respectively in these accounts. The company is of the view that these amounts would be unpaid dividend warrants credited back to the accounts by the bank pursuant to Circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20.04.2018. However, pending details / confirmation from the bank, the company has not recorded any accounting entry in respect thereof as on 31.03.2019. Steps are being taken to obtain details from the bank and to transfer the amounts to IEPF.

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 2018-19 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 2019-20. The Remuneration proposed to be paid to the Cost Auditor, subject to ratification by shareholders of the Company at the ensuing 55th 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 2019-20, 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, 2019. The Secretarial Audit Report for the financial year ended 31st March, 2019 is annexed herewith as "Annexure E" to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Cost Records

The Company is required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, for certain areas of its operations (Edible Oil and Power Generation) and accordingly accounts and records required to get true and fair view of the cost of production of products, cost of sales, margin and other information relating to products under reference, are made and maintained by the Company.

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. The company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year 2018-19, the Company has not received any complaints on sexual harassment and no complaints remain pending as of 31st March, 2019.

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 F" 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 G" to this Report.

Capital Expenditure

The Board has plans to purchase suitable industrial land 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, 2019

By Order of the Board

Sd/-

Dr. Jose Paul Thaliyath
(DIN : 01773031)
Chairman

“ANNEXURE A” TO BOARD’S REPORT

ANNUAL REPORT ON CSR ACTIVITIES FOR YEAR ENDED 31ST MARCH, 2019

- 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. Mr. Paul John, Independent Director, is the chairman of the Committee. Dr. Jose Paul Thaliyath, Independent Director and Mr. A.P. George, Managing Director and Dr. K.C. Pyarelal, Non-executive Director are the other members of the Committee.
- 3 Average net profit of the Company for the last three financial years
₹ 4760.94 lakhs
(Average profit for financial years 2015-16, 2016-17 and 2017-18)
- 4 Prescribed CSR Expenditure
₹ 95.22 lakhs (2% of the above)
- 5 Details of CSR spent during the financial year
 - (a) Total amount to be spent
₹ 95.22 lakhs
 - (b) Amount unspent
Nil (Total amount spent under CSR for the financial year 2018-19 is ₹ 121.88 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	LPG Crematorium Equipment to the Sreenaryana Bhaktha Samudhayodharani Samajam, Irinjalakuda	Promotion of Sanitation [Schedule VII (i)]	Local Area Irinjalakuda	15.00	14.99	14.99	Direct
2	Assistance to improve need based farm facilities of dairy farmers (76 farmers benefited)	Promotion of Animal Welfare [Schedule VII (iv)]	Local Area Thrissur District	15.00	15.00	15.00	Direct
3	Contribution to Chief Minister’s Distress Relief Fund, Kerala for flood relief	Promotion of Health Care [Schedule VII (i) & (iv)]	Kerala	25.00	25.00	25.00	Direct
4	Free Distribution of Flood Relief materials, including feed, to various relief camps	Promotion of Health Care [Schedule VII (i) & (iv)]	Kerala	16.33	16.33	16.33	Direct
5	Ambulance to Rajagiri Hospital, Aluva	Promotion of Health Care [Schedule VII (i)]	Ernakulam District	11.00	10.99	10.99	Direct
6	Ambulance and Medical equipments to Hrudaya palliative care and hospice, Irinjalakuda	Promotion of Health Care [Schedule VII (i)]	Local Area Irinjalakuda	14.00	13.88	13.88	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
7	Hemodialysis machine to Bishop Alappat Mission Hospital, Karanchira	Promotion of Health Care [Schedule VII (i)]	Local Area Irinjalakuda	6.25	6.00	6.00	Direct
8	Motorized ICU Beds for palliative patients to Amala Cancer Hospital Society	Promotion of Health Care [Schedule VII (i)]	Local Area Thrissur Dist.	5.00	5.00	5.00	Direct
9	Computer aided teaching equipments to Sacred Heart of Mary's Convent Girls High School, Kandassankadavu	Promotion of education [Schedule VII (ii)]	Local Area Thrissur Dist.	3.00	2.91	2.91	Direct
10	Chairs, digital token system and two Televisions for the public use in General Hospital, Irinjalakuda	Promotion of Health Care [Schedule VII (i)]	Local Area Irinjalakuda	2.90	2.65	2.65	Direct
11	Biogas Plant to Bethsaida Bhavan, Chelur, Irinjalakuda	Facilities for inmates of old age home [Schedule VII (iii)]	Local Area Irinjalakuda	2.25	2.12	2.12	Direct
12	Supply of dialysis consumables and chemicals to Peringottukara Association Dialysis Centre	Promotion of Health Care [Schedule VII (i)]	Local Area Thrissur Dist.	2.13	2.10	2.10	Direct
13	Equipment for computer aided teaching, benches and desks to Aided Lower Primary Church School, Kottanellur, Irinjalakuda.	Promotion of education [Schedule VII (ii)]	Local Area Irinjalakuda	2.00	2.08	2.08	Direct
14	Water treatment system to Santhwanam Charitable Society, Kattungachira	Promotion of Health Care [Schedule VII (i)]	Local Area Irinjalakuda	1.50	1.50	1.50	Direct
15	Benches and desks to Panchayath Union Primary School, Vayalur near Swaminathapuram in Tamil Nadu	Promotion of education [Schedule VII (ii)]	Local Area to Swaminathapuram Unit	0.60	0.59	0.59	Direct
16	Computer for the service of general public to P.S. Namboothiri Janasevana Kendram, Amballur, Thrissur	Improving facility to the general public [Schedule VII (ii)]	Local Area Thrissur Dist.	0.30	0.29	0.29	Direct
17	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	0.45	4.15	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/-

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

For KSE Limited

Sd/-

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

Place : Irinjalakuda
Date : 30.05.2019

“ANNEXURE B” TO BOARD’S REPORT

DETAILS OF DEPOSITS ACCEPTED UNDER CHAPTER V

(a)	Deposits accepted during the year	₹ 445.16 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 C” 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, 2019

“ANNEXURE D” TO BOARD’S REPORT**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2019

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	86.26 %
2	Extraction of vegetable oil and meal from copra cake	10402, 10406 – Manufacture of vegetable oils and meals	11.21 %

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 31.03.2019					

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 01-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	773107	47108	820215	25.632	784437	35830	820267	25.633	0.001
b) Central Govt.	-	-	-	-	-	-	-	-	

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% 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)	773107	47108	820215	25.632	784437	35830	820267	25.633	0.001
(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)	773107	47108	820215	25.632	784437	35830	820267	25.633	0.001
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	0	2610	0.082	3365	0	3365	0.105	0.023
Sub-total (B)(1):-	2610	0	2610	0.082	3365	0	3365	0.105	0.023
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	652997	6900	659897	20.622	667653	2800	670453	20.952	0.330
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital up to ₹1 lakh	685408	519639	1205047	37.657	844365	353548	1197913	37.435	-0.222
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	287335	39780	327115	10.222	291349	0	291349	9.104	-1.118
c) Others (specify)									
Non Resident Indians	13316	0	13316	0.416	57989	0	57989	1.812	1.396
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Directors and Relatives	103671	13900	117571	3.674	103325	7000	110235	3.445	-0.229
Clearing Members	6092	0	6092	0.190	9369	0	9369	0.293	0.103
Hindu Undivided Families	24438	0	24438	0.764	13477	0	13477	0.421	-0.343
Trusts	1883	0	1883	0.059	1883	0	1883	0.059	0.000
IEPF	21816	0	21816	0.682	23700	0	23700	0.741	0.059
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	1796956	580219	2377175	74.286	2013020	363348	2376368	74.262	-0.024
Total Public Shareholding (B)=(B)(1) + (B)(2)	1799566	580219	2379785	74.368	2016385	363348	2379733	74.367	-0.001
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A + B + C)	2572673	627327	3200000	100.000	2800822	399178	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 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	
1	GEORGE A P	49954	1.561		50204	1.569		0.008
2	JACKSON M P	6600	0.206		43838	1.370		1.164
3	THRESSIAMMA GEORGE	32120	1.004		32620	1.019		0.015
4	T.R. RAGULAL	29208	0.913		29208	0.913		
5	T R VENUGOPAL	26196	0.819		27325	0.854		0.035
6	T. R. VIJAYAKUMAR	25792	0.806		25792	0.806		
7	PAUL FRANCIS	23600	0.738		23600	0.738		
8	USHA HEMACHANDRAN	22320	0.698		22320	0.698		
9	LATHIKA C M	15732	0.492		21997	0.687		0.195
10	REENA GIGI	21200	0.662		21200	0.662		
11	MOLLY TOMY	21200	0.662		21200	0.662		
12	ESTA JACKSON	22100	0.691		21100	0.659		-0.032
13	PUSHPAM BRIGHT	21100	0.659		21100	0.659		
14	GAYATHRI VIJAYARAGHAVAN	824	0.026		20924	0.654		0.628
15	K.C. PYARELAL	22512	0.704		20847	0.651		-0.053
16	SIDDHARTH VIJAYARAGHAVAN	216	0.007		20216	0.632		0.625
17	THIMATHEWS P. T.	20200	0.631		20200	0.631		
18	JOHN FRANCIS	18120	0.566		18120	0.566		
19	SUNNY FRANCIS	17540	0.548		17530	0.548		0.000
20	SUJA JOHNSON POKKATH	17100	0.534		17100	0.534		

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	
21	MERCY BASTIAN	16600	0.519		16600	0.519		
22	SONIA SUNNY	14410	0.450		14410	0.450		
23	JOHNSON P D	13900	0.434		13900	0.434		
24	BEENA KAILASHNATHAN	13700	0.428		13700	0.428		
25	SINI R. SANTOSH	13500	0.422		13700	0.428		0.006
26	SHEELA . RAJIVEN	13700	0.428		13700	0.428		
27	PRAKASAN K C .	13160	0.411		12660	0.396		-0.015
28	RITHAMMA M V	12600	0.394		12600	0.394		
29	BEENA JOHN	12260	0.383		12260	0.383		
30	VASUDEVAN K C	12260	0.383		12260	0.383		
31	DAISY JOSE .	11900	0.372		11745	0.367		-0.005
32	DONY A G	11580	0.362		11583	0.362		0.000
33	SUSAN FRANCIS	10600	0.331		10600	0.331		
34	MARIAMMA ANTO	10500	0.328		10500	0.328		
35	ANTONY A G	10400	0.325		10400	0.325		
36	ANTO P D	10300	0.322		10300	0.322		
37	MARYKUTTY VARGHESE	10098	0.316		10098	0.316		
38	ALICE GEORGE	8700	0.272		8700	0.272		
39	A G REENA	8000	0.250		8000	0.250		
40	SAWMIYA GINO	7080	0.221		7080	0.221		
41	REENA JOJY	7500	0.234		7000	0.219		-0.015
42	M P GIGI	6500	0.203		6700	0.209		0.006
43	TOMY M P	6600	0.206		6600	0.206		
44	M P BRIGHT	6500	0.203		6500	0.203		
45	A P PAUL	5478	0.171		5478	0.171		
46	SURESH JOSE	4400	0.138		4400	0.138		
47	ANU VIJU	4400	0.138		4400	0.138		
48	BINU FIJU	4400	0.138		4400	0.138		
49	ROSE VARGHESE	4003	0.125		4003	0.125		
50	USHA FRANCIS	3900	0.122		3900	0.122		
51	PRINCE PANIKULAM	3800	0.119		3800	0.119		
52	MARINA VINCENT	2895	0.090		2880	0.090		0.000
53	TEENA PRINCE	2515	0.079		2515	0.079		
54	TESSY GEORGE	2900	0.091		2400	0.075		-0.016
55	SUMY PAUL	2170	0.068		2170	0.068		
56	SHINY FRANCIS	2113	0.066		2113	0.066		

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	
57	LEERA JEEJO	1980	0.062		1960	0.061		-0.001
58	MEERA PYARELAL	606	0.019		1913	0.060		0.041
59	SUNIL KUMAR K C	1880	0.059		1880	0.059		
60	ROSY THOMAS .	1600	0.050		1600	0.050		
61	JOJY THOMAS K	1600	0.050		1600	0.050		0.000
62	SEEMA SURESH	1600	0.050		1600	0.050		
63	HONEY ROY	1800	0.056		1300	0.041		-0.015
64	BASTIAN DEVASSY	1200	0.037		1200	0.037		
65	P D VINCENT	1050	0.033		1093	0.034		0.001
66	ANNIE PAUL	0	0		1000	0.031		0.031
67	ANISH P ANTO	900	0.028		900	0.028		
68	GEORGE THERATTIL	900	0.028		900	0.028		
69	FRANCIS ALAPPAT	500	0.016		500	0.016		
70	SHYAMA PRAKASAN	500	0.016		500	0.016		
71	ELIKUTTY CHAKKUNNY	400	0.013		400	0.013		
72	SALLY PAUL	400	0.013		400	0.013		
73	ALPHO VARGHESE				235	0.007		0.007
74	LATHA VENUGOPAL	200	0.006		200	0.006		
75	SARIGA RAGHULAL	200	0.006		200	0.006		
76	ALLU P ANTO	200	0.006		200	0.006		
77	P D GEORGE	100	0.003		100	0.003		
78	ANIL KUMAR K C	90	0.003		90	0.003		
79	K C VIJAYARAGHAVAN	46215	1.444					-1.444
80	M.C. PAUL	37238	1.164					-1.164
81	ROSY BABY	100	0.003					-0.003
		820215	25.632		820267	25.633		0.001

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	820215	25.632		
	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	820267	25.633		

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 01.04.2018 to 31.03.2019	
		No of shares at the beginning (01.04.2018) / end of the year (31.03.2019)	% of total shares of the Company				No of shares	% of total shares of the Company
1	GEORGE A P	49954	1.561	01/04/2018			49954	1.561
				30/11/2018	250	Transfer	50204	1.569
		50204	1.569	31/03/2019			50204	1.569
2	JACKSON M P	6600	0.206	01/04/2018			6600	0.206
				21/09/2018	36238	Transfer	42838	1.339
				18/01/2019	1000	Transfer	43838	1.370
		43838	1.370	31/03/2019			43838	1.370
3	THRESSIAMMA GEORGE	32120	1.004	01/04/2018			32120	1.004
				29/03/2019	500	Transfer	32620	1.019
		32620	1.019	31/03/2019			32620	1.019
4	T.R. VENUGOPAL	26196	0.819	01/04/2018			26196	0.819
				23/11/2018	200	Transfer	26396	0.825
				07/12/2018	411	Transfer	26807	0.838
				01/02/2019	518	Transfer	27325	0.854
		27325	0.854	31/03/2019			27325	0.854
5	LATHIKA C M	15732	0.492	01/04/2018			15732	0.492
				01/06/2018	-11200	Transfer	4532	0.142
				03/08/2018	47380	Transmission	51912	1.622
				10/08/2018	-30000	Transfer	21912	0.685
				04/01/2019	35	Transfer	21947	0.686
				01/02/2019	50	Transfer	21997	0.687
		21997	0.687	31/03/2019			21997	0.687
6	ESTA JACKSON	22100	0.691	01/04/2018			22100	0.691
				18/01/2019	-1000	Transfer	21100	0.659
		21100	0.659	31/03/2019			21100	0.659
7	GAYATHRI VIJAYARAGHAVAN	824	0.026	01/04/2018			824	0.026
				20/07/2018	5000	Transfer	5824	0.182
				10/08/2018	15000	Transfer	20824	0.651
				04/01/2019	100	Transfer	20924	0.654
		20924	0.654	31/03/2019			20924	0.654

Sl. No.	Name	Shareholding		Date	Increase/Decrease in share-holding	Reason	Cumulative Shareholding during the year 01.04.2018 to 31.03.2019	
		No of shares at the beginning (01.04.2018) / end of the year (31.03.2019)	% of total shares of the Company				No of shares	% of total shares of the Company
8	K.C. PYARELAL	22512	0.704	01/04/2018			22512	0.704
				06/04/2018	-106	Transfer	22406	0.700
				20/04/2018	-35	Transfer	22371	0.699
				18/05/2018	385	Transfer	22756	0.711
				01/06/2018	-27	Transfer	22729	0.710
				03/08/2018	-17	Transfer	22712	0.710
				10/08/2018	-183	Transfer	22529	0.704
				24/08/2018	-385	Transfer	22144	0.692
				31/08/2018	-1647	Transfer	20497	0.641
				08/03/2019	26	Transfer	20523	0.641
				15/03/2019	324	Transfer	20847	0.651
		20847	0.651	31/03/2019			20847	0.651
9	SIDDARTH VIJAYARAGHAVAN	216	0.007	01/04/2018			216	0.007
				20/07/2018	5000	Transfer	5216	0.163
				10/08/2018	15000	Transfer	20216	0.632
		20216	0.632	31/03/2019			20216	0.632
10	SUNNY FRANCIS	17540	0.548	01/04/2018			17540	0.548
				11/05/2018	-100	Transfer	17440	0.545
				01/03/2019	84	Transfer	17524	0.548
				08/03/2019	6	Transfer	17530	0.548
		17530	0.548	31/03/2019			17530	0.548
11	SINI R SANTOSH	13500	0.422	01/04/2018			13500	0.422
				04/08/2018	200	Transfer	13700	0.428
		13700	0.428	31/03/2019			13700	0.428
12	PRAKASAN K C	13160	0.411	01/04/2018			13160	0.411
				10/08/2018	-500	Transfer	12660	0.396
		12660	0.396	31/03/2019			12660	0.396
13	DAISY JOSE	11900	0.372	01/04/2018			11900	0.372
				25/05/2018	-10	Transfer	11890	0.372
				01/06/2018	-135	Transfer	11755	0.367
				08/06/2018	-10	Transfer	11745	0.367
		11745	0.367	31/03/2019			11745	0.367

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year 01.04.2018 to 31.03.2019	
		No of shares at the beginning (01.04.2018) / end of the year (31.03.2019)	% of total shares of the Company				No of shares	% of total shares of the Company
14	DONY A G	11580	0.362	01/04/2018			11580	0.362
				01/02/2019	2	Transfer	11582	0.362
				01/03/2019	1	Transfer	11583	0.362
		11583	0.362	31/03/2019			11583	0.362
15	REENA JOJY	7500	0.234	01/04/2018			7500	0.234
				11/05/2018	-500	Transfer	7000	0.219
		7000	0.219	31/03/2019			7000	0.219
16	M P GIGI	6500	0.203	01/04/2018			6500	0.203
				23/11/2018	200	Transfer	6700	0.209
		6700	0.209	31/03/2019			6700	0.209
17	MARINA VINCENT	2895	0.090	01/04/2018			2895	0.090
				06/04/2018	-266	Transfer	2629	0.082
				13/04/2018	150	Transfer	2779	0.087
				20/04/2018	-100	Transfer	2679	0.084
				27/04/2018	100	Transfer	2779	0.087
				04/05/2018	-199	Transfer	2580	0.081
				11/05/2018	-183	Transfer	2397	0.075
				01/06/2018	393	Transfer	2790	0.087
				15/06/2018	81	Transfer	2871	0.090
				24/08/2018	-100	Transfer	2771	0.087
				31/08/2018	98	Transfer	2869	0.090
				07/09/2018	-869	Transfer	2000	0.063
				26/10/2018	400	Transfer	2400	0.075
				02/11/2018	80	Transfer	2480	0.078
				23/11/2018	400	Transfer	2880	0.090
		2880	0.090	31/03/2019			2880	0.090
18	TESSY GEORGE	2900	0.091	01/04/2018			2900	0.091
				11/05/2018	500	Transfer	2400	0.075
		2400	0.075	31/03/2019			2400	0.075
19	LEERA JEEJO	1980	0.062	01/04/2018			1980	0.062
				11/05/2018	- 20	Transfer	1960	0.061
		1960	0.061	31/03/2019			1960	0.061

Sl. No.	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year 01.04.2018 to 31.03.2019	
		No of shares at the beginning (01.04.2018) / end of the year (31.03.2019)	% of total shares of the Company				No of shares	% of total shares of the Company
20	MEERA PYARELAL	606	0.019	01/04/2018			606	0.019
				18/05/2018	392	Transfer	998	0.031
				24/08/2018	385	Transfer	1383	0.043
				21/12/2018	255	Transfer	1638	0.051
				28/12/2018	55	Transfer	1693	0.053
				04/01/2019	50	Transfer	1743	0.054
				11/01/2019	170	Transfer	1913	0.060
		1913	0.060	31/03/2019			1913	0.060
21	JOJY THOMAS K	1600	0.050	01/04/2018			1600	0.050
				10/11/2018	-200	Transfer	1400	0.044
				15/02/2019	200	Transfer	1600	0.050
		1600	0.050	31/03/2019			1600	0.050
22	HONEY ROY	1800	0.056	01/04/2018			1800	0.056
				01/06/2018	-500	Transfer	1300	0.041
		1300	0.041	31/03/2019			1300	0.041
23	VINCENT P D	1050	0.033	01/04/2018			1050	0.033
				01/06/2018	-1	Transfer	1049	0.033
				06/07/2018	34	Transfer	1083	0.034
				24/08/2018	-100	Transfer	983	0.031
				31/08/2018	98	Transfer	1081	0.034
				07/09/2018	-581	Transfer	500	0.016
				26/10/2018	400	Transfer	900	0.028
				02/11/2018	76	Transfer	976	0.031
				23/11/2018	117	Transfer	1093	0.034
		1093	0.034	31/03/2019			1093	0.034
24	ANNIE PAUL	0	0.000	01/06/2018	36238	Transmission	36238	1.132
				21/09/2018	-36238	Transfer	0	0.000
				15/02/2019	1000	Transmission	1000	0.031
		1000	0.031	31/03/2019			1000	0.031

Sl. No.	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year 01.04.2018 to 31.03.2019	
		No of shares at the beginning (01.04.2018) / end of the year (31.03.2019)	% of total shares of the Company				No of shares	% of total shares of the Company
25	ALPHO VARGHESE	0	0.000	01/04/2018	59	Transfer	59	0.002
				11/05/2018	3	Transfer	62	0.002
				18/05/2018	42	Transfer	104	0.003
				08/06/2018	25	Transfer	129	0.004
				03/08/2018	10	Transfer	139	0.004
				12/10/2018	4	Transfer	143	0.004
				09/11/2018	3	Transfer	146	0.005
				18/01/2019	10	Transfer	156	0.005
				08/03/2019	10	Transfer	166	0.005
				15/03/2019	38	Transfer	204	0.006
				22/03/2019	21	Transfer	225	0.007
				29/03/2019	10	Transfer	235	0.007
		235	0.007	31/03/2019			235	0.007
26	K C VIJAYARAGHAVAN	46215	1.444	01/04/2018			46215	1.444
				01/06/2018	-25660	Transmission	20555	0.642
				08/06/2018	-20520	Transmission	35	0.001
				04/01/2019	-35	Transmission	0	0.000
		0	0.000	31/03/2019			0	0.000
27	M C PAUL	37238	1.164	01/04/2018			37238	1.164
				01/06/2018	-36238	Transmission	1000	0.031
				28/11/2018	-1000	Transmission	0	0.000
		0	0.000	31/03/2019			0	0.000
28	ROSY BABY	100	0.003	01/04/2018			100	0.003
				23/02/2019	-100	Transmission	0	0.000
		0	0.000	31/03/2019			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 01.04.2018 to 31.03.2019	
		No of shares at the beginning (01.04.2018) / end of the year (31.03.2019)	% of total shares of the Company				No of shares	% of total shares of the Company
1	PJD PROPERTIES AND INVESTMENTS PRIVATE LIMITED	560900	17.528	01/04/2018			560900	17.528
				23/11/2018	2200	Transfer	563100	17.597
				30/11/2018	1800	Transfer	564900	17.653
				07/12/2018	500	Transfer	565400	17.669
		565400	17.669	31/03/2019			565400	17.669
2	ENSEMBLE HOLDINGS AND FINANCE LIMITED	60399	1.887	01/04/2018			60399	1.887
				06/04/2018	-850	Transfer	59549	1.861
				20/04/2018	649	Transfer	60198	1.881
				27/04/2018	226	Transfer	60424	1.888
				04/05/2018	622	Transfer	61046	1.908
				11/05/2018	692	Transfer	61738	1.929
				07/09/2018	746	Transfer	62484	1.953
				12/10/2018	250	Transfer	62734	1.960
				19/10/2018	250	Transfer	62984	1.968
				26/10/2018	1220	Transfer	64204	2.006
				02/11/2018	31	Transfer	64235	2.007
				16/11/2018	608	Transfer	64843	2.026
				23/11/2018	20	Transfer	64863	2.027
				25/01/2019	304	Transfer	65167	2.036
				01/02/2019	200	Transfer	65367	2.043
				08/02/2019	100	Transfer	65467	2.046
		65467	2.046	31/03/2019			65467	2.046
3	NADIR BARJORJI GODREJ	38619	1.207	01/04/2018			38619	1.207
				27/04/2018	200	Transfer	38819	1.213
				11/05/2018	241	Transfer	39060	1.221
				06/07/2018	179	Transfer	39239	1.226
				27/07/2018	202	Transfer	39441	1.233
				31/08/2018	279	Transfer	39720	1.241
				05/10/2018	200	Transfer	39920	1.248
				02/11/2018	119	Transfer	40039	1.251
				16/11/2018	50	Transfer	40089	1.253
				30/11/2018	100	Transfer	40189	1.256
		40189	1.256	31/03/2019			40189	1.256

Sl. No.	Name	Shareholding		Date	Increase/Decrease in share-holding	Reason	Cumulative Shareholding during the year 01.04.2018 to 31.03.2019	
		No of shares at the beginning (01.04.2018) / end of the year (31.03.2019)	% of total shares of the Company				No of shares	% of total shares of the Company
4	DEVIS V I	1765	0.055	01/04/2018			1765	0.055
				13/04/2018	300	Transfer	2065	0.065
				04/05/2018	-65	Transfer	2000	0.063
				18/05/2018	2787	Transfer	4787	0.150
				25/05/2018	472	Transfer	5259	0.164
				01/06/2018	2941	Transfer	8200	0.256
				08/06/2018	248	Transfer	8448	0.264
				15/06/2018	410	Transfer	8858	0.277
				30/06/2018	46	Transfer	8904	0.278
				06/07/2018	500	Transfer	9404	0.294
				13/07/2018	431	Transfer	9835	0.307
				20/07/2018	265	Transfer	10100	0.316
				27/07/2018	290	Transfer	10390	0.325
				03/08/2018	300	Transfer	10690	0.334
				10/08/2018	390	Transfer	11080	0.346
				17/08/2018	961	Transfer	12041	0.376
				24/08/2018	1713	Transfer	13754	0.430
				31/08/2018	4261	Transfer	18015	0.563
				07/09/2018	5780	Transfer	23795	0.744
				14/09/2018	-500	Transfer	23295	0.728
				28/09/2018	138	Transfer	23433	0.732
				16/11/2018	200	Transfer	23633	0.739
				23/11/2018	2215	Transfer	25848	0.808
				30/11/2018	550	Transfer	26398	0.825
				07/12/2018	4391	Transfer	30789	0.962
				14/12/2018	348	Transfer	31137	0.973
				01/02/2019	330	Transfer	31467	0.983
				22/02/2019	2335	Transfer	33802	1.056
				01/03/2019	4680	Transfer	38482	1.203
				15/03/2019	-200	Transfer	38282	1.196
				22/03/2019	-387	Transfer	37895	1.184
		37895	1.184	31/03/2019			37895	1.184
5	RADHA ANAND MENON	25326	0.791	01/04/2018			25326	0.791
				07/09/2018	10	Transfer	25336	0.792
				14/09/2018	90	Transfer	25426	0.795
				01/02/2019	100	Transfer	25526	0.798
		25526	0.798	31/03/2019			25526	0.798

Sl. No.	Name	Shareholding		Date	Increase/Decrease in share-holding	Reason	Cumulative Shareholding during the year 01.04.2018 to 31.03.2019	
		No of shares at the beginning (01.04.2018) / end of the year (31.03.2019)	% of total shares of the Company				No of shares	% of total shares of the Company
6	HORMAZD NADIR GODREJ	20412	0.638	01/04/2018			20412	0.638
				06/04/2018	-500	Transfer	19912	0.622
				26/10/2018	750	Transfer	20662	0.646
				02/11/2018	325	Transfer	20987	0.656
				09/11/2018	250	Transfer	21237	0.664
				16/11/2018	501	Transfer	21738	0.679
				23/11/2018	559	Transfer	22297	0.697
				30/11/2018	1031	Transfer	23328	0.729
				11/01/2019	303	Transfer	23631	0.738
				25/01/2019	297	Transfer	23928	0.748
				01/02/2019	200	Transfer	24128	0.754
				08/02/2019	28	Transfer	24156	0.755
				15/02/2019	200	Transfer	24356	0.761
				01/03/2019	35	Transfer	24391	0.762
		24391	0.762	31/03/2019			24391	0.762
7	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY	21816	0.682	01/04/2018			21816	0.682
				23/11/2018	1883	Transfer	23699	0.741
				30/11/2018	1	Transfer	23700	0.741
		23700	0.741	31/03/2019			23700	0.741
8	NINA PAUL	22100	0.691	01/04/2018			22100	0.691
				29/03/2019	-375	Transfer	21725	0.679
		21725	0.679	31/03/2019			21725	0.679
9	MARY JOSE K.	18520	0.579	01/04/2018		Nil movement during the year	18520	0.579
		18520	0.579	31/03/2019			18520	0.579
10	JAGDISHWAR T TOPPO	18273	0.571	01/04/2018			18273	0.571
				04/05/2018	-5	Transfer	18268	0.571
				18/05/2018	-100	Transfer	18168	0.568
				24/08/2018	400	Transfer	18568	0.580
				14/09/2018	-828	Transfer	17740	0.554
				16/11/2018	10	Transfer	17750	0.555
				18/01/2019	114	Transfer	17864	0.558
				01/02/2019	99	Transfer	17963	0.561
				22/02/2019	100	Transfer	18063	0.564
		18063	0.564	31/03/2019			18063	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 01.04.2018 to 31.03.2019	
		No of shares at the beginning (01.04.2018) / end of the year (31.03.2019)	% of total shares of the Company				No of shares	% of total shares of the Company
A DIRECTORS :								
1	George A P Managing Director	49954	1.561	01/04/2018			49954	1.561
				30/11/2018	250	Transfer	50204	1.569
		50204	1.569	31/03/2019			50204	1.569
2	Jackson M P Executive Director	6600	0.206	01/04/2018			6600	0.206
				21/09/2018	36238	Transfer	42838	1.339
				18/01/2019	1000	Transfer	43838	1.370
		43838	1.370	31/03/2019			43838	1.370
3	Dr Jose Paul Thaliyath Independent Non- Executive Director	29517	0.922	01/04/2018			29517	0.922
				01/03/2019	9	Transfer	29526	0.923
				08/03/2019	491	Transfer	30017	0.938
		30017	0.938	31/03/2019			30017	0.938
4	Joseph Xavier Independent Non- Executive Director	18107	0.566	01/04/2018		Nil movement during the year	18107	0.566
		18107	0.566	31/03/2019			18107	0.566
5	Paul John Independent Non- Executive Director	4400	0.137	01/04/2018		Nil movement during the year	4400	0.137
		4400	0.137	31/03/2019			4400	0.137
6	Sathi A Menon Independent Non- Executive Director	0	0	01/04/2018		Nil holding/ movement during the year	0	0
		0	0	31/03/2019			0	0
7	P D Anto Non- Executive Director	10300	0.322	01/04/2018		Nil movement during the year	10300	0.322
		10300	0.322	31/03/2019			10300	0.322
8	Marykutty Varghese Non- Executive Director	10098	0.316	01/04/2018		Nil movement during the year	10098	0.316
		10098	0.316	31/03/2019			10098	0.316
9	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

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year 01.04.2018 to 31.03.2019	
		No of shares at the beginning (01.04.2018) / end of the year (31.03.2019)	% of total shares of the Company				No of shares	% of total shares of the Company
10	K.C. PYARELAL	22512	0.704	01/04/2018			22512	0.704
				06/04/2018	-106	Transfer	22406	0.700
				20/04/2018	-35	Transfer	22371	0.699
				18/05/2018	385	Transfer	22756	0.711
				01/06/2018	-27	Transfer	22729	0.710
				03/08/2018	-17	Transfer	22712	0.710
				10/08/2018	-183	Transfer	22529	0.704
				24/08/2018	-385	Transfer	22144	0.692
				31/08/2018	-1647	Transfer	20497	0.641
				08/03/2019	26	Transfer	20523	0.641
				15/03/2019	324	Transfer	20847	0.651
		20847	0.651	31/03/2019			20847	0.651
11	Danesa Raghulal Non- Executive Director	0	0	01/04/2018		Nil holding/ movement during the year	0	0
		0	0	31/03/2019			0	0
B KEY MANAGERIAL PERSONS :								
1	R. Sankaranarayanan CFO & Company Secretary	2429	0.076	01/04/2018			2429	0.076
		2429	0.076	31/03/2019			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 (01.04.2018)				
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
Change in Indebtedness during the financial year				
• Addition			445.16	445.16
• Reduction	#158.25		423.90	582.15
Net Change	158.25		21.26	(136.99)
Indebtedness at the end of the financial year (31.03.2019)				
i) Principal Amount	3,296.54		990.46	4,287.00
ii) Interest due but not paid				
iii) Interest accrued but not due			90.38	90.38
Total (i + ii + iii)	3,296.54		1,080.84	4,377.38

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		Total Amount
		A P George Managing Director	M P Jackson Executive Director	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	36.72	21.75	58.47
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.32		0.32
	(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	3.67	2.17	5.84
	Provision for Gratuity			
	Total (A)	40.71	23.92	64.63
	Ceiling as per the Act	₹ 148.11 lakhs (being 10% of net profits of the Company calculated as per Section 197 (1) read with Section 198 of the Companies Act, 2013)		

B. Remuneration to other directors

(₹ in lakhs)

Sl No.	Particulars of Remuneration	Name of Directors										Total Amount
		P D Anto	K.C. Vijayaraghavan	Paul Francis	Marykutty Varghese	Danasa Raghulal	K.C. Pyarelal	Jose Paul Thaliyath	Joseph Xavier	Sathi A Menon	Paul John	
1	Independent Directors											
	Fee for attending board and committee meetings	-	-	-	-	-	-	4.10	2.70	2.60	2.35	11.75
	Commission											
	Others, please specify											
	Total (1)	-	-	-	-	-	-	4.10	2.70	2.60	2.35	11.75
2	Other Non-Executive Directors											
	Fee for attending board and committee meetings	4.00	0.10	3.70	1.90	1.25	0.90	-	-	-	-	11.85
	Commission											
	Others											
	Total (2)	4.00	0.10	3.70	1.90	1.25	0.90	-	-	-	-	11.85
	Total (B)=(1 + 2)	4.00	0.10	3.70	1.90	1.25	0.90	4.10	2.70	2.60	2.35	23.60
	Total Managerial Remuneration (A) + (B)	₹ 88.23 lakhs (Including sitting fee of ₹ 23.60 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	₹ 162.92 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	72.41
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.05
	(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	3.76
	Total	76.22

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 E” 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 31.03.2019

[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 2019 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 2019 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 54th Annual General Meeting held on 31st August, 2018;
 - 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.

Sd/-
SATHISH V

Practising Company Secretary
FCS 8005; CP 8343

Place : Cochin
Date : 30.05.2019

“ANNEXURE F” 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 2018-19 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	PD. Anto	4.00	1.12
2	Dr K.C. Vijayaraghavan	0.10	0.03
3	Paul Francis	3.70	1.04
4	Dr. Jose Paul Thaliyath	4.10	1.15
5	Joseph Xavier	2.70	0.76
6	Sathi A. Menon	2.60	0.73
7	Paul John	2.35	0.66
8	Marykutty Varghese	1.90	0.53
9	Danesa Raghulal	1.25	0.35
10	Dr. K.C. Pyarelal	0.90	0.25
Executive Directors			
2	A.P. George	40.71	11.43
3	M.P. Jackson	23.92	6.72

B. Details of percentage increase in the remuneration of each Director and CFO & Company Secretary in the financial year 2018-19 are as follows:

Sl. No.	Name of Director	Designation	Remuneration (₹ in lakhs)		Increase (%)
			2018-19	2017-18	
1	A.P. George	Executive Director (See Note 1 below)	40.71	33.01	23.33
2	M.P. Jackson	Executive Director (See Note 2 below)	23.92	3.90	--
3	PD. Anto	Non- executive Director	4.00	3.26	22.70
4	Dr K.C. Vijayaraghavan	Non- executive Director (See Note 3 below)	0.10	2.29	--
5	Marykutty Varghese	Non- executive Director	1.90	1.81	4.97
6	Paul Francis	Non- executive Director (See Note 4 below)	3.70	1.08	--
7	Danesa Raghulal	Non- executive Director (See Note 5 below)	1.25	--	--
8	Dr. K.C. Pyarelal	Non- executive Director (See Note 5 below)	0.90	--	--
9	Dr. Jose Paul Thaliyath	Non- executive and Independent Director	4.10	3.05	34.43
10	Joseph Xavier	Non- executive and Independent Director	2.70	2.15	25.58
11	Sathi A. Menon	Non- executive and Independent Director	2.60	2.22	17.12
12	Paul John	Non- executive and Independent Director	2.35	2.22	5.86
13	R. Sankaranarayanan	CFO and Company Secretary (See Note 6 below)	76.22	44.34	71.90

1. Remuneration paid to Mr. A.P. George, Managing Director is subject to approval of the Central Government as provided under Companies Act, 2013.
2. Mr. M.P. Jackson was appointed as additional director from 14-11-2017 and was in receipt of sitting fee only for meetings attended by him until he was appointed as Executive Director from 12-02-2018. Hence the remuneration paid to him is not comparable with that of previous year.
3. Dr. K.C. Vijayaraghavan died on 19.04.2018 and his remuneration is not comparable with that of previous year.
4. Mr. Paul Francis was appointed as Additional Director of the Company with effect from 14-11-2017 and his remuneration for the year 2017-18 shown above was only for the part of the year and hence are not comparable with that of previous year.

5. Ms. Danesa Raghulal and Dr. K.C. Pyarelal were appointed as Directors of the Company effective from 31-08-2018 and hence their remuneration (sitting fees) are not comparable with that of previous year.
 6. Increase in the remuneration of Chief Financial Officer and Company Secretary was 71.90 % due to payment of retirement benefits on his retirement from regular service on attaining the age of 60 during the year 2018-19.
- C. The percentage increase in the median remuneration of employees in the financial year: 14.06 %.**
- D. The number of permanent employees on the rolls of Company: 950 as on 31.03.2019.**
- 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 11.43 %.

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, and further increase on his reappointment as Managing Director effective from 01.10.2018 which are subject to approval of the Central Government.

Mr. M.P. Jackson was appointed as Executive Director with effect from 12-02-2018 and his remuneration for the year 2017-18 was only for a small part of the year, where as his remuneration for the year 2018-19 is for the whole year.

Increase in the remuneration of Chief Financial Officer and Company Secretary was 71.90 % due to payment of retirement benefits on his retirement from regular service on attaining the age of 60 during the year 2018-19.

Mr. Paul Francis was appointed as Additional Director of the Company with effect from 14-11-2017 and his remuneration 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 2018-19 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 2018-19 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 G” 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. 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

	2018-2019 ₹ in lakhs	2017-2018 ₹ in lakhs
Foreign Exchange Earnings	1.77	4.05
Foreign Exchange Outgo	8,866.32	8,864.18

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 three 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 details of members of the Board, number of equity shares of the Company held by them as on 31.03.2019, number of Board Meetings attended by them during the financial year 2018-19, 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 31.08.2018	No. of Other Directorships *		Committee Members	
						Director	Chairman	Member	Chairman
1	Mr. A.P. George, Managing Director	Executive (see notes below)	50,204	12	Present	1	—	—	—
2	Mr. M.P. Jackson Executive Director	Executive	43,838	11	Present	—	—	—	—
3	Mr. P.D. Anto Director	Non-Executive	10,300	12	Present	—	—	—	—
4	Mr. Paul Francis Director	Non-Executive	23,600	12	Present	—	—	—	—
5	Ms. Marykutty Varghese, Woman Director	Non-Executive	10,098	10	Present	—	—	—	—
6	Ms. Danesa Raghulal Woman Director	Non-Executive (see notes below)	Nil	7	Not applicable	—	—	—	—
7	Dr. Pyarelal K.C. Director	Non-Executive (see notes below)	20,847	6	Not applicable	—	—	—	—
8	Dr. Jose Paul Thaliyath, Chairman	Non-Executive Independent	30,017	12	Present	—	—	—	—
9	Mr. Joseph Xavier Director	Non-Executive Independent	18,107	12	Present	—	—	—	—
10	Mrs. Sathi A. Menon Woman Director	Non-Executive Independent	Nil	12	Present	—	—	—	—
11	Mr. Paul John Director	Non-Executive Independent	4,400	11	Present	—	—	—	—

* For the above, only Directorships in Public Limited Companies are taken into consideration. None of the Directors of the Company are Director in any other listed company.

Notes : 1. The appointment of Mr. A.P. George as Managing Director from 14-11-2017 and his reappointment as Managing Director for a period of three years from 01-10-2018 are subject to the approval of Central Government.

2. Ms. Danesa Raghulal and Dr. K.C. Pyarelal were appointed as Directors in the Annual General Meeting held on 31-08-2018.

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 every 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 Company adheres to the provisions of the Companies Act, 2013 read with the Rules issued thereunder, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors, its Committees and the General Meetings of the shareholders of the Company.

During the year 2018-2019, the Board met 12 times on the following dates:

Sl. No.	Date	Sl. No.	Date	Sl. No.	Date	Sl. No.	Date
1	30 th April, 2018	4	20 th July, 2018	7	23 rd October, 2018	10	21 st January, 2019
2	30 th May, 2018	5	14 th August, 2018	8	14 th November, 2018	11	14 th February, 2019
3	27 th June, 2018	6	13 th September, 2018	9	14 th December, 2018	12	19 th March, 2019

3. Independent Directors

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, the Independent Directors are independent of the management and fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A formal letter of appointment to Independent Directors as provided in Companies Act, 2013 has been issued and disclosed on website of the Company viz. www.kselimited.com.

The provisions of Regulation 17A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are complied with as the Independent Directors of the Company do not serve as Independent Director in any other listed companies. Further, the Managing Director and Executive Director of the Company do not serve in any other listed entity as an Independent Director.

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

None of the Independent Directors of the Company have resigned before the expiry of their tenure. Thus, disclosure of detailed reasons for their resignation along with their confirmation that there are no material reasons, other than those provided by them is not applicable.

4. Skills, expertise and competencies of Board

The key qualifications, skills, expertise, competencies and attributes which are taken into consideration while nominating candidates to serve on the Board are the following:

- Leadership:** Ability to understand and channel the capabilities of the other members towards the corporate goal with practical understanding of organisations, processes, strategic planning and risk management. Demonstrates strength in developing talent, succession planning, management of change and long-term growth.
- Technology :** Significant knowledge in technology, understanding the technological trends, technological innovation, ability to bring out new technological models.
- Sales and Marketing :** Experience in developing strategies to improve the sales and market share, build brand awareness and enhance enterprise reputation.
- Governance and Board Service :** Developing insights about maintaining board and management accountability, protecting shareholder interests and observing appropriate governance practices.
- Ethnic national or other diversity:** Representation of gender, ethnic, geographic, cultural or other perspectives that enhance the understanding of the Board with respect to the needs and views of customers, suppliers, employees, government and other stakeholders.

- vi. Financial: Management of financial function of an enterprise, resulting in proficiency in complex financial management, capital allocation, financial reporting processes with an experience in actively supervising the Chief Financial Officer, Internal Auditor, Statutory Auditor or others who perform similar functions.
- vii. Practical Knowledge : Practical knowledge of the industry, mainly that of feed industry and oil extraction, market conditions, situation and surroundings of the farmers and their issues and needs at village level.

5. 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 five times in the year 2018-19 and the attendance of each member of the Committee was as follows:

Date of Meeting	Mrs. Sathi A. Menon	Dr. Jose Paul Thaliyath	Mr. Joseph Xavier	Mr. Paul John
28/05/2018	Leave of Absence	Present	Present	Leave of Absence
13/08/2018	Present	Present	Present	Present
13/11/2018	Present	Present	Present	Present
04/12/2018	Present	Present	Present	Present
13/02/2019	Present	Present	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.

6. 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 three members, out of which two are independent directors. Mr. Joseph Xavier, Mrs. Sathi A. Menon 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 three times in the year 2018-19 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
30/05/2018	Present	Present	Leave of absence	Present
13/09/2018	Present	Present	Not applicable	Present
14/11/2018	Present	Present	Not applicable	Present

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A consolidated summary of the ratings given by each Director was then prepared. The report of performance evaluation was then discussed and noted by the Board. The performance evaluation of the Chairman and Managing Director and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process. The Nomination and Remuneration Policy and the Performance Evaluation Policy of the Company are available on the web site of the Company at <http://www.kselimited.com/nominationremuneration.aspx> and at <http://www.kselimited.com/evaluationpolicy.aspx>. Disclosures included herein may be considered as compliance under Section 178 of the Companies Act, 2013.

7. 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 2018-19 are as follows:

Sl. No.	Name	Designation	Salary and allowances ₹ in lakhs	Other Benefits ₹ in lakhs	Sitting Fee ₹ in lakhs	Total ₹ in lakhs
1	Mr. A.P. George	Managing Director	36.72	3.99	—	40.71
2	Mr. M.P. Jackson	Executive Director	21.75	2.17	—	23.92
3	Dr. Jose Paul Thaliyath	Director & Chairman	—	—	4.10	4.10
4	Mr. P.D. Anto	Director	—	—	4.00	4.00
5	Dr. K.C. Vijayaraghavan	Director	—	—	0.10	0.10
6	Mr. Paul Francis	Director	—	—	3.70	3.70
7	Mr. Joseph Xavier	Director	—	—	2.70	2.70
8	Mrs. Sathi A. Menon	Director	—	—	2.60	2.60
9	Mr. Paul John	Director	—	—	2.35	2.35
10	Mrs. Marykutty Varghese	Director	—	—	1.90	1.90
11	Ms. Danesa Raghulal	Director	—	—	1.25	1.25
12	Dr. K.C. Pyarelal	Director	—	—	0.90	0.90
No stock options are granted to any one of the Directors of the Company.						

Notes : 1. The appointment of Mr. A.P. George as Managing Director from 14-11-2017 and his reappointment as Managing Director for a period of three years from 01-10-2018 are subject to the approval of Central Government.

2. Ms. Danesa Raghulal and Dr. K.C. Pyarelal were appointed as Directors in the Annual General Meeting held on 31-08-2018.

8. 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. Ms. Marykutty Varghese, Mr. Paul Francis, Ms. Danesa Raghulal are the other members of the Committee. In terms of the amendment to the Regulation 20 (2A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Joseph Xavier, Independent Director also is included as a member of the Stakeholders' Relationship Committee with effect from 01-04-2019. Mr. R. Sankaranarayanan, Chief Financial Officer and Company Secretary has been designated as the Compliance Officer. During the year 2018-19, no complaints were received from shareholders. 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 2018-19 and it was attended as follows:

Date of Meeting	Mr. P.D. Anto	Paul Francis	Mr. T.R. Ragulal	Mrs. Marykutty Varghese	Ms. Danesa Raghulal
29/05/2018	Present	Present	Leave of Absence	Present	Not applicable
14/08/2018	Present	Present	Not applicable	Present	Not applicable
14/11/2018	Present	Present	Not applicable	Present	Present
14/02/2019	Present	Present	Not applicable	Present	Present

Note : 1. Mr. T.R. Ragulal has resigned from the Board effective from 30-05-2018 due to health reasons.

2. Ms. Danesa Raghulal was nominated to the Stakeholders' Relationship Committee effective from 23-10-2018.

9. 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. Mr. Paul John, Independent Director is the chairman of the Committee. Mr. A.P. George, Managing Director and Dr. Jose Paul Thaliyath, Independent Director are the other members of the Committee. Dr. K.C. Pyarelal, Non-executive Director also was nominated to the CSR Committee at the board meeting held on 23-10-2018. 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, 2019, the CSR Committee met twice and attendance of each member of the Committee was as follows:

Date of Meeting	Mr. A. P. George	Mr. Jose Paul Thaliyath	Mr. Paul John
18/07/2018	Present	Present	Present
23/10/2018	Present	Present	Present

10. Meeting of Independent Directors

During the year under review, the Independent Directors met on 19.03.2019, inter alia, to:

- Evaluate performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluate performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at this Meeting.

11. General Body Meetings

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

Name of Meeting	Date	Time	Venue
52 nd Annual General Meeting	31 st August, 2016	3.00 p.m.	KSE Limited, Registered Office, Solvent Road, Irinjalakuda, Thrissur District, Kerala- 680121
53 rd Annual General Meeting	31 st August, 2017	3.00 p.m.	
54 th Annual General Meeting	31 st August, 2018	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.
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.
54 th AGM	Appointment of Mr. A.P. George as Managing Director for the period from 14.11.2017 to 30.09.2018. Reappointment of Mr. A.P. George as Managing Director for three years from 01.10.2018 to 30.09.2021. Handing over of car and payment of ₹ 7.50 lakhs to Mrs. Annie Paul, wife of Late M.C. Paul, Ex-Managing Director as Posthumous retirement benefits with respect to the services of Late M.C. Paul. Note: The above three special resolutions moved in the AGM could not be passed as the requisite majority of votes in favour of the resolutions could not be obtained, but votes cast in favour of the motion exceed the votes cast against the motion and there was simple majority of votes in favour of the resolutions.

No resolution was passed through Postal Ballot. In all the above Annual General Meetings, 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 55th 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 55th Annual General Meeting attached to the Annual Report for the year 2018-19. No resolution is proposed to be conducted through postal ballot in the ensuing 55th Annual General Meeting.

12. Means of Communication

Regularly the Company is publishing extracts of quarterly/half yearly/nine months unaudited financial 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.

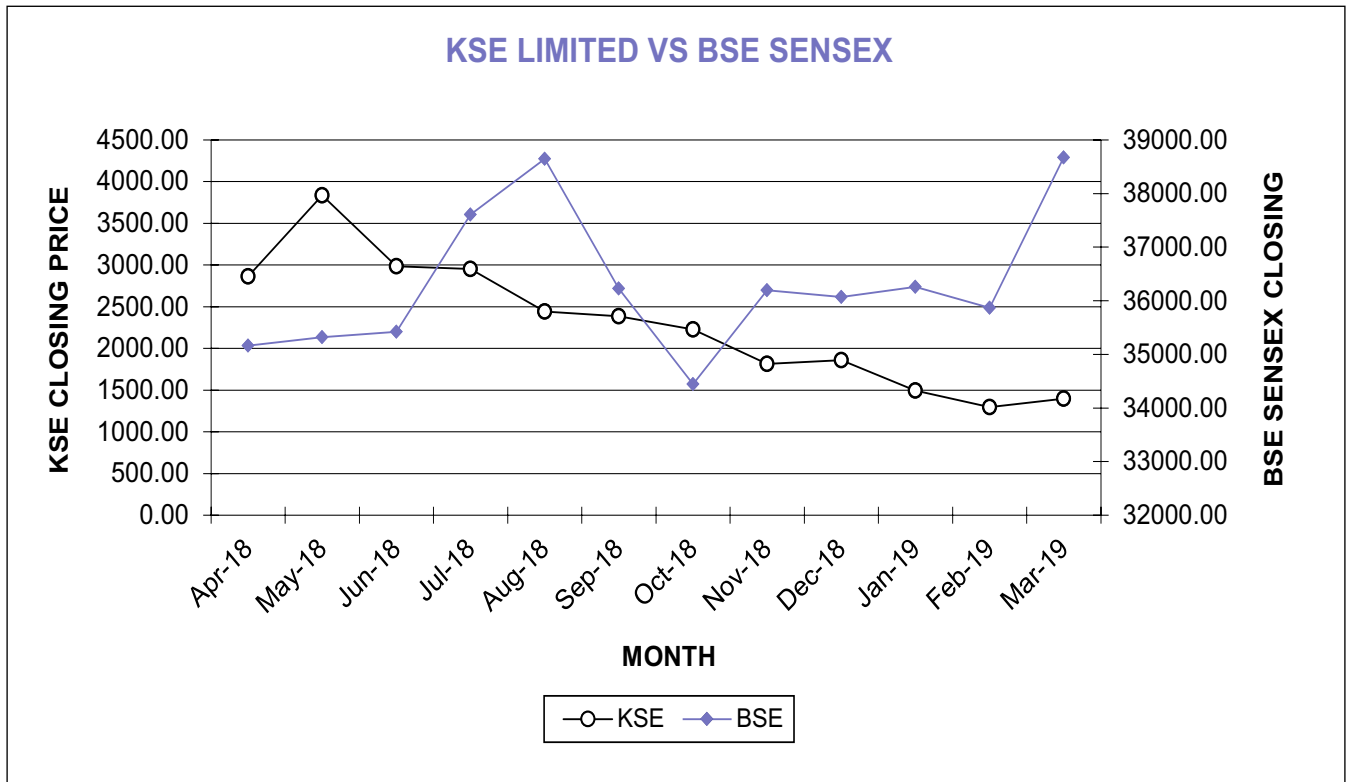
Your Company provides necessary information to the Stock Exchange in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other rules and regulations issued by the Securities Exchange Board of India. All disclosures made to the stock exchange are also available on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

13. General Shareholder Information

- a) AGM - Date, time and venue
Saturday, 31st August, 2019 at 3.00 p.m.
KSE Limited, Registered Office,
Solvent Road, Irinjalakuda - 680 121.
- b) Financial Year
1st April 2019 to 31st March 2020
- Unaudited Results for First Quarter
On or before 14th August, 2019
- Unaudited Results for Second Quarter
On or before 14th November, 2019
- Unaudited Results for Third Quarter
On or before 14th February, 2020
- Audited Results for year ending 31st March 2020
On or before 30th May, 2020
- c) Dividend Payment Date
Dividend of ₹ 15 per equity share of ₹ 10 each has been recommended for the year 2018-19 by the Board of Directors at its meeting held on 30th May, 2019 and subject to the approval of the shareholders at the ensuing Annual General Meeting, will be paid/ dispatched after 31st August, 2019 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, 2019, after giving effect to all valid share transfers in physical form lodged on or before 24th August, 2019.
 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, 2019.
- Book Closure Date 25th August, 2019 to 31st August, 2019
(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 2019-20.
- 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, 2019 are given below:

Month	High (₹)	Low (₹)	Volume (nos.)
April, 2018	3171.60	2526.00	43333
May, 2018	3851.95	2900.00	78984
June, 2018	4000.00	2789.95	35584
July, 2018	3194.00	2700.05	18324
August, 2018	3297.95	2369.10	46353
September, 2018	2900.00	2205.45	45460
October, 2018	2497.75	2140.00	18139
November, 2018	2344.00	1670.00	48678
December, 2018	1999.80	1640.00	21254
January, 2019	1873.95	1431.10	15645
February, 2019	1602.10	1208.45	35983
March, 2019	1650.00	1280.00	27363

- g) The Chart below shows the performance of your Company's share price in comparison with BSE Sensex during the financial year 2018-19 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 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. The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent within the prescribed period from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/ CDSL through respective Depository Participants. In compliance with the Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

k) Distribution of share holding

No. of shares held	As at 31 st March, 2019			
	No. of Folios	%	No. of Shares	%
1 to 500	6314	91.95	480547	15.02
501 to 1000	197	2.87	151162	4.72
1001 to 5000	257	3.74	559293	17.48
5001 to 10000	36	0.52	231138	7.22
10001 and above	63	0.92	1777860	55.56
Total	6867	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 31.03.2019 are as follows:

DEPOSITORY	As at 31 st March, 2019	
	No. of Shares	%
NSDL	21,46,081	67.06
CDSL	6,54,741	20.46
Total Demat	28,00,822	87.52

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 separately at the end of this 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

q) Credit Ratings

The Company has obtained rating from CRISIL for the year ended 31st March, 2019. They have given a credit rating as follows:

Rating on		Rating given
Bank Loan Facilities (₹ 63 crores)	- Long Term Rating	CRISIL A-/Stable (Reaffirmed)
	- Short-Term Rating	CRISIL A2+ (Reaffirmed)
Fixed Deposits (₹ 10 crores)		FA/Stable (Reaffirmed)

14. 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. 34.13 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 unmodified 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.

- h) **Utilization of funds raised through preferential allotment as specified under Regulation 32 (7A):** The Company has not raised funds through preferential allotment or qualified institutional placement.
- i) **Certificate from Practicing Company Secretary:** Certificate as required under Part C of Schedule V of Listing Regulations, received from Mr. Sathish V. (CP No. 8343), proprietor of Sathish V, Practicing Company Secretary, that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority has been annexed to the end of this Report.
- j) **Recommendations of Committees of the Board:** There were no instances during the financial year 2018-19, wherein the Board had not accepted recommendations made by any committee of the Board.
- k) **Total fees paid to Statutory Auditors of the Company:** Total amount paid to statutory auditors is ₹ 20.62 lakhs including GST and out-of-pocket expenses and the details of payments to auditors is given in the Notes to Financial Statements as Note 32 - Other expenses. The Company do not have any subsidiary or network firm/network entity.
- l) **Disclosure on Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 :** The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The Company has not received any complaints during the year 2018-19. The details relating to the number of complaints received and disposed of during the financial year 2018-19 are as under:
- | | |
|--|-----|
| a. Number of complaints filed during the financial year: | Nil |
| b. Number of complaints disposed of during the financial year: | Nil |
| c. Number of complaints pending as on end of the financial year: | Nil |

14. 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, 2019

By Order of the Board
Sd/-

Dr. Jose Paul Thaliyath
(DIN : 01773031)
Chairman

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

C E R T I F I C A T E

[Pursuant to clause 10 of Part C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of KSE LIMITED [Company No. L15331KL1963PLC002028] 20/173, P.B.No. 20, Solvent Road, Irinjalakuda – 680 121, I hereby certify that:

On the basis of the written representations/declarations received from the Directors and taken on record by the Board of Directors, as on March 31, 2019, none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

Sd/-
SATHISH V

Place : Cochin
Date : 30.05.2019

Practising Company Secretary
FCS No. 8005; CP No. 8343

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, 2019.

By Order of the Board

Sd/-

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

Irinjalakuda
May 30, 2019

PLANT LOCATIONS

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, Athirampuzha,
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, Athirampuzha,
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.,
Kozhikode - 673 012. Tel: 0495 2370056

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Industry Structure and Development

India currently represents one of the fastest growing animal feed markets in the world. The increasing demand for animal protein and dairy products has resulted in a growing livestock population in India, which in turn has increased the demand for animal feed. Currently the poultry, aqua and dairy industry accounts for the major share of the Indian animal feed industry. Modern animal feed products are manufactured by carefully selecting and blending ingredients to impart highly nutritional diets that both increase the quality of its end products such as meat, milk, eggs and at the same time maintain the health of the animal.

The animal population in India is expected to increase continuously in the medium and long terms. This will create a strong demand for eggs, meat, milk, etc., in turn increasing the demand for animal feed. The Indian government along with private initiatives are increasing the awareness of better feed practices among farmers. Farmers are getting more aware about animal health and the importance of a balanced and nutritional food for their animals. Changing lifestyles and rising per capita incomes in India have resulted in a shift in the dietary habits in the country. This has resulted in an increase in the consumption of milk and meat, leading to a growing demand for animal feed.

2. Opportunities and Threats

The advantages to your Company in cattle feed and cake processing industry are (1) its vast experience in these industries for over 45 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 in 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 (9) import of cheaper oils for bulk consumption leading to fall in demand for refined coconut oil (10) failure of crop and shortage in production of grains and oil seeds due to failure of monsoon/seasonal rain. 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

The segmentwise revenue and and year to year change are given hereunder

Segments	2018-19		2017-18		Year to year change Percentage
	₹ in lakhs	Percentage	₹ in lakhs	Percentage	
Animal Feed	104323.37	86.26	110894.51	85.03	(5.93)
Oil cake processing	13554.98	11.21	16617.39	12.74	(18.43)
Dairy	3062.35	2.53	2905.43	2.23	5.40
Total	120940.70	100.00	130417.33	100.00	(7.27)

In year 2017-18 we had sold raw materials worth ₹ 94.60 crores to feed manufacturers and bought back from them, the feed produced out of it, and thus the Revenue for that year was higher to that extend. Similarly, in the cake processing division, in the year 2017-18, we had sold copra cake worth ₹ 3.72 crores to a third party and had purchased from them finished products extracted therefrom. Further, there is a slow-down in the sale of coconut oil in the last quarter of year 2018-19 and the stock of oil has gone up by over 2100 tons in March, 2019, on a year to year basis. Another reason for reduction in the revenue in cake processing division is due to decrease in the sale of deoiled cake as such. The market for deoiled copra cake is reducing year by year and is being substituted by the compound animal feed.

The year to year change in the volume of operation in different segments are discussed under

Segments	Units of measurement	2018-19	2017-18	Year to year change (Percentage)
		Quantity	Quantity	
Animal Feed	Tons	560224	533185	5.07
Deoiled cake	Tons	13170	17245	(23.63)
Refined coconut oil	Tons	6823	8255	(17.35)
Milk	Kilo Litres	4327	4273	1.26
Ice Cream	Kilo Litres	1290	1217	6.00

In the above table, the volume of sale of animal feed has increased by 5.07%. In may also be noted that 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. Whereas in the cake processing division, the direct sale of deoiled copra cake is diminishing year by year and is being taken over by compound animal feed. The volume of sale of refined oil also is due to the lesser demand as mentioned above in the last quarter of 2018-19.

The segmentwise earnings before interest and tax are furnished below:

Segments	2018-19	2017-18	Year to year change Percentage
	₹ in lakhs	₹ in lakhs	
Animal Feed	(191.16)	6663.95	(102.87)
Oil cake processing	1579.28	3884.48	(59.34)
Dairy	63.34	197.51	(67.93)
Unallocated income net of expenditure including interest income	312.74	239.01	30.85
Total profit before exceptional items, interest and tax	1764.20	10984.95	(83.94)

Compare to year 2017-18, the year to year average cattle feed raw material price had increased by around 4.99% whereas the year to year average selling price of feed had a slight reduction of 2.20 %. From September, 2018 the monthly average cattle feed ingredient cost increased steadily and total year to year increase in March, 2019 was around 20%. Though we had adjusted the selling price also slowly, taking all care not to loose the market in the long term interest of the Company, the monthly average selling price of feed has increased only around 10% in between the same period.

In the cake processing division, the monthly average selling price of refined coconut oil has dipped from ₹ 174/kg in April, 2018 to ₹ 116/kg. level, which was the main factor in the fall in the profit of cake processing division.

4. Outlook

From September, 2018, the feed ingredient prices are continuously increasing. This unprecedented increase in the ingredient prices is likely to continue upto the first six months of the current year 2019-20. We are trying to manage the situation by increasing the selling price of feed. But as discussed in the Board's Report the indirect control of the Government on the procurement price of milk creates lots of hardship on the farmers and this acts as an hindrance in our decision of the price hike, while considering the long-term interest of the Company.

However, the increased demand for our feed is welcoming 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 prediction of slow progress in the spread of southwest monsoon and prevailing heat wave conditions in many parts of the country have delayed planting in the current kharif season, with the area sown remaining nearly 8 per cent lower than that in the previous year. If the monsoon rain is normal this year, it is reasonably expected that the prices of ingredients will ease by the start of next season for the crops.

In the cake processing division, the price of copra cake is expected to remain stable, by balancing with the imports. However, the market for coconut oil is very weak and there is a general market sentiment that the price of coconut oil will further fall. However, we have to process around one lakh tons of copra cake, to meet our requirements for deoiled copra cake, which is one of the major ingredients in our feed.

The Dairy division is expected to perform better in the year 2019-20 as there is margin on milk and the volume of milk handled is growing. The volume of ice cream sales also is improving, which will help us to utilise the capacity and thus reduce cost and generate more profit.

5. *Risks and Concerns*

Prediction of below normal and belated monsoon indicates lower sowing area and short supply of grains and oil seeds. This will increase the cost of all ingredients for the feed, as we are mainly depending on materials from northern States moved by rail for manufacturing the Animal Feed. As far as possible, we are adjusting the selling price of animal feed, in line with raw material price. As a result of maintaining high quality for the feed, the demand for KS Brand cattle feed is very good in the States of Kerala and Tamil Nadu. The international price of copra cake imports is at reasonable levels and can be depended in case of need. The price of coconut oil may go below ₹ 100/kg. and this may cut down the margins in cake processing division. The Dairy division is expected to perform well by increased volume of milk and 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*

During the year ended 31st March, 2019, the Revenue from Operations declined by 7.27 % to ₹ 1209 crores from ₹ 1304 crores, ₹ 95 crores in absolute terms. In year 2017-18, for a few months, we had sold raw materials worth ₹ 98.33 crores to third party manufacturers and bought back from them, the finished products produced out of it, and thus the Revenue for that year was higher to that extend. The over-all profit after tax was to ₹ 9.13 crores in year 2018-19 compared to ₹ 68.74 crores in the previous year.

The sales volume of feed has gone up by 5% from 5.33 lakhs tons in year 2017-18 to 5.60 lakhs tons in year 2018-19. The feed division ended up with a loss of ₹ 1.91 crores compared to previous year figure of ₹ 66.64 crores as divisional profit.

We could process 1,03,502 tons of copra cake in year 2018-19 and improve the volume by 7.00 % from in the previous year figure of 96,709 tons. The cake processing division reported a profit of ₹ 15.79 crores for the year 2018 -19 compared to a profit of ₹ 38.84 crores in the previous year.

The volume of sales of ice cream also improved by 6.00 % to 1290 kl. in 2018-19 compared to 1217 kl. in the previous year, by effective marketing, even though the margins on ice cream were under strain. The margin in milk sales helped to report a segment profit of ₹ 63.04 lakhs in Dairy division compared to previous year profit of ₹ 197.51 lakhs. We are taking all efforts to improve the production and sale volume of milk and ice cream.

8. Key Financial Ratios

The Key Financial Ratios are given below with comparative figures for the previous year:

Key Financial Ratios	Method of calculation	2018-19	2017-18
Debtors Turnover	Revenue/Debtors	7889.15 times	7582.40 times
Inventory Turnover	Revenue/Inventory	13.80 times	14.41 times
Interest Coverage Ratio	EBIT/Finance Cost	13.48 times	91.61 times
Current Ratio	Current assets/Current liabilities	2.80 times	2.53 times
Debt Equity Ratio	Total Liabilities/Shareholder's Equity	0.52 times	0.60 times
Operating Profit Margin	EBIT%/Revenue	1.46 %	8.42 %
Net Profit Margin	PAT%/Revenue	0.75 %	5.27 %
Return on Net Worth	PAT/Shareholder's Equity	7.03 %	47.81 %

From September, 2018 the monthly average cattle feed ingredient cost increased steadily and total year to year increase in March, 2019 was around 20%. Though we are adjusting the selling price also in tune with the change in the ingredient prices, further increase in the raw material prices takes away all the margins in the feed sector. As such, the over-all profit after tax was to ₹ 9.13 crores in year 2018-19 compared to ₹ 68.74 crores in the previous year. As a result, in the above table, the operating profit margin, net profit margin and return on net worth for the year 2018-19 has reduced considerably compared to previous year. Further, the reasons for the reduction in profit for the year 2018-19 compared to previous year has been discussed in detail in the Board's Report under the head "Operating Results and Business Operations".

9. Industrial Relation

The Company is an exception to the adverse labour conditions existing in Kerala. There were no major labour issues, in any of the Units of the Company during the year 2018-19. Long Term Settlement effective from 1st April, 2017 has been arrived at with the Unions of Vedagiri Unit. Negotiations with the Unions of Konikkara Unit is in progress for long term settlement effective from 01.06.2018. Negotiations for long-term settlement with Unions of Irinjalakuda Unit effective from 01.04.2019 will start soon. The management continues to maintain cordial industrial relation with its employees in all Units and is attending to their grievances with an open mind. The Company has 950 employees on its rolls as on 31.3.2019.

10. 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.

By Order of the Board

Sd/-

Dr. Jose Paul Thaliyath
(DIN : 01773031)

Chairman

Irinjalakuda
May 30, 2019

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF M/S KSE LIMITED (CIN: L15331KL1963PLC002028)

Solvent Road, Irinjalakuda, Thrissur – 680 121

1. This certificate is issued in accordance with the terms of our engagement letter dated 29.05.2019.
2. We M/s S. S. Ayyar & Co., Chartered Accountants, the statutory auditors of M/s K S E Limited ("the Company") have examined the compliance of conditions of Corporate Governance by the company, for the year ended 3rd March 2019, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations") pursuant to the Listing Agreement of the said Company with the Stock Exchange.

Management's responsibility

3. The Compliance of the conditions of Corporate Governance is the responsibility of the management of the company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditors' responsibility

4. Our responsibility is limited to examining the 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.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. 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 Services Engagements.

Opinion

8. Based on our examination of the relevant records on a test check basis and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations, as applicable, during the year ended 31st March, 2019.
9. 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, 2019

INDEPENDENT AUDITORS' REPORT

To the Members of M/S KSE Limited
 (CIN: L15331KL1963PLC002028)
 Irinjalakuda, Kerala – 680121

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of M/s KSE Limited (CIN:L15331KL1963PLC002028) ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, 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 "financial statements") which we have signed under reference to this report.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Companies Act, 2013 ("the Act"), in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019 and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the financial statements, on a test check basis, in accordance with the Standards on Auditing specified under Section 143(10) of the Act ("SAs"). Our responsibility under those standards are further described in the Auditors' responsibility for the audit of the financial statements section of this report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder and we have fulfilled our ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Emphasis of Matter

4. We draw attention to the matters detailed below. Our opinion is not modified in respect of these matters.

Sl. No.	Note No. in the financial statements	Brief description
a.	34.5	Developments since the defeat of the special resolution regarding appointment / re-appointment of Managing Director and fixing his remuneration, in the previous AGM concluded on 31.08.2018, are narrated in this note.
b.	34.6	Developments since the defeat of the special resolution proposing payment of posthumous post-retirement benefits to the widow of former Managing Director, in the previous AGM concluded on 31.08.2018, are narrated in this note.
c.	34.7	Description about discovery this year, of a fraud that had been taking place for the past five years, in one of the units of the company and the consequences are narrated in this note.
d.	34.29	On the basis of our test check and on the basis of the reports of the Internal Auditors pointing out certain internal control weaknesses, policy overrides and statutory non-compliances and on the basis of facts coming out post discovery of fraud this year, that had been taking place for the past 5 years in one of the units of the company, we are of the opinion that the company's internal control systems and statutory compliance mechanisms require improvement. Management's response thereto is given in this note.
e.	34.9	This note describes the financial effect where one of the products of the company had to be valued at net realisable value due to fall in prices.

Sl. No.	Note No. in the financial statements	Brief description
f.	34.25	The company has stated in this note that it has a system of obtaining confirmations of balances. However, balances in the accounts, except balances with banks and a few trade receivables, are subject to confirmation.
g.	22	As stated in this note, the classification of trade payables as covered under the Micro, Small & Medium Enterprises Development (MSMED) Act, 2006 and others, is as done by the company.

Key Audit Matters

5. Key Audit Matters are those matters that in our professional judgement were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report :

Sl. No.	Key Audit Matter	Note No. in the financial statements	How the matter was addressed in our audit
a.	Impact of New Ind AS 115 - Revenue from Contracts with Customers	1.5	Our audit procedures with regard to revenue recognition included examining, on a test check basis, how the company has booked each item of its revenue. Based on the above, we conclude that the method adopted by the company is generally fair.
b.	Critical Accounting Estimates and judgements	1.4	Our audit procedures with regard to critical accounting estimates and judgements included examining, on a test check basis, the critical accounting estimates and judgements made by the management in the preparation of the financial statements. Based on the above, we conclude that the estimates and judgements are generally fair in the reporting framework.
c.	The company's internal audit is done by external firms of Chartered Accountants whose scope of work is very exhaustive and minutely covers almost all aspects concerning financial accounting, statutory compliances and internal controls.		We have laid down our audit programme and devised our audit procedures after due consideration of the scope of work of the internal auditors and their reports.

Other Information in 'Annual Report' other than Financial Statements and Auditors' Report

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's annual report other than the financial statements, our auditors' report thereon and our certificate on corporate governance.
7. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.
8. Other Information was not ready at the time of completion of our audit and therefore, we could not read the same and accordingly, no opinion is expressed thereon.

Management's Responsibility for the Financial Statements

9. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, the profit, total comprehensive income, cash flows and changes in equity of the Company in accordance with Ind AS and other accounting principles generally accepted in India.

10. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
11. In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the company or to cease operations, or has no realistic alternative, but to do so.
12. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility for the audit of Financial Statements

13. Our objectives are to obtain reasonable assurance about whether financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material mis-statement when it exists.
14. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
15. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
 - a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial reporting in place and the operating effectiveness of such controls.
 - c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
16. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
17. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

18. 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.
19. 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 financial statements comply with the Ind AS 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 2019 and taken on record by the Board of Directors, none of the directors of the company is disqualified as on 31st March 2019 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 matter to be included in the Auditors' Report under section 197(16) of the Act, as amended, in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. Attention is also invited to paragraphs 4 (a) and (b) under 'Emphasis of Matter' paragraph of this report.
 - (h) with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 financial statements – Refer Note 34.3 to the 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. However, attention is invited to Note 34.28 to the financial statements.

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, 2019

Enclosures : Annexure A and Annexure B referred to above

ANNEXURE - “A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 18 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 :-
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. The software in respect of register of fixed assets is under upgradation.
 - (b) 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.
 - (c) According to the information and explanations given to us, the records of the company examined by us on a test check basis 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:
- (a) According to the information and explanations furnished to us and according to our examination of the records of the Company, except for certain delays in remittance of undisputed income tax deducted at source, Service tax referred to in Note No. 34.31, GST payable ₹ 2.28 lakhs and GST referred to in Note No. 34.24 (b), 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, except Service tax and GST referred to above, 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, 2019 for a period of more than six months from the date they became payable.
 - (b) 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 2019, 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 Sales Tax Act, 1963	Sales tax	25.40	Financial year 2000-01	Deputy Commissioner (Appeals) – remanded to Assistant Commissioner (Assessment)
Central Excise Act, 1948	Central Excise Duty	34.52	Financial years 2014-15, 2015-16 and 2016-17	The Company is in the process of filing appeal before CESTAT.
Customs Act, 1962	Customs duty	66.31*	Financial year 2008-09 and 2009-10	The Company has filed appeals before the Honourable High Court of Kerala.
*interest amount as computed and provided for by the company				

- (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 SAs generally accepted in India. Details of fraud committed by an employee of the company, detected during the year, are reported in Note No. 34.7 of the Notes forming part of the financial statements. 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 other 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. However, attention is invited to Note Nos. 34.5 and 34.6 of the Notes forming part of the financial statements.
- (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 Ind AS have been disclosed by the management in Note No. 34.13 of the Notes forming part 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.

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, 2019

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 19(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 over Financial Reporting 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, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the company 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”) issued by ICAI and the Standards on Auditing (SA) 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 (See Note No. 34.29 of the financial statements).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 expenditure 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, subject to the matters referred to in paragraph 4 (d) of 'Emphasis of Matter' section in our Independent Auditors' report of even date, we are of the opinion that the Company has, in all material respects, an internal financial controls system over financial reporting and such internal financial controls system over financial reporting requires improvement. The internal financial controls system over financial reporting were operating as at 31st March, 2019, 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 ICAI.

Irinjalakuda
May 30, 2019

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, 2019

Particulars	Note No.	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
A. ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	2A	2,570.62	2,726.10
(b) Capital Work in Progress	2B	45.89	17.09
(c) Other Intangible Assets	2C	3.53	1.06
(d) Financial Assets			
(i) Investments	3	2.50	2.50
(ii) Loans	4	118.80	129.58
(iii) Other Financial Assets	5	9.62	7.63
(e) Non current tax assets (net)	6	38.13	—
(f) Other Non Current Assets	7	31.32	47.79
Total non-current assets		2,820.41	2,931.75
Current Assets			
(a) Inventories	8	8,762.61	9,051.89
(b) Financial Assets			
(i) Investments	9	4,260.68	8,333.13
(ii) Trade Receivables	10	15.33	17.20
(iii) Cash and Cash Equivalents	11	1,144.04	1,279.17
(iv) Bank Balances other than (iii) above	12	1,415.82	794.59
(v) Loans	13	155.80	149.12
(vi) Other Financial assets	14	69.75	10.24
(c) Current tax assets (net)	15	527.03	—
(d) Other Current Assets	16	552.01	397.64
Total current assets		16,903.07	20,032.98
Total Assets		19,723.48	22,964.73

Particulars	Note No.	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
B. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	17	320.00	320.00
(b) Other Equity	18	12,657.15	14,059.14
Total equity		12,977.15	14,379.14
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	699.10	561.67
(b) Deferred Tax Liabilities (Net)	20	13.22	98.62
Total non-current liabilities		712.32	660.29
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	3,298.61	3,461.88
(ii) Trade Payables - Micro Enterprises and Small Enterprises	22	3.63	13.56
- Others	22	796.76	1,498.67
(iii) Other financial Liabilities	23	1,321.85	1,775.80
(b) Other Current Liabilities	24	613.16	686.41
(c) Current Tax Liabilities (Net)	25	—	488.98
Total current liabilities		6,034.01	7,925.30
Total Liabilities		6,746.33	8,585.59
Total Equity and Liabilities		19,723.48	22,964.73

Significant accounting Policies 1

Additional Information 34

The accompanying notes are integral part of the financial statements

For and on Behalf of Board of Directors of KSE Limited
(CIN No.L15331KL1963PLC002028)

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

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

R. Sankaranarayanan
Chief Financial Officer
and Company Secretary Sd/-
Irinjalakuda
May 30, 2019

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

P.D. Anto
Director (DIN : 00106965) 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 PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019

Particulars	Note No.	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
INCOME			
Revenue from operations (See Note No. 34.14)		1,20,940.70	1,30,417.33
Other income	26	766.26	519.07
Total Income (A)		1,21,706.96	1,30,936.40
EXPENSES			
Cost of Materials consumed	27	1,07,521.22	96,090.11
Purchases of stock-in-trade		—	10,555.20
Changes in inventories of finished goods	28	(2,241.58)	266.55
Employee benefits expense	29	4,886.98	4,677.23
Finance costs	30	130.85	119.91
Depreciation and amortisation expense	31	334.16	352.27
Other expenses	32	9,441.98	8,010.09
Total expenses (B)		1,20,073.61	1,20,071.36
Profit before exceptional items and tax (A) - (B) = (C)		1,633.35	10,865.04
Exceptional items (See Note No. 34.4) (D)		170.50	—
Profit before tax (C) - (D) = (E)		1,462.85	10,865.04
Tax Expense			
Current tax		625.00	3,800.00
Relating to earlier years (net)		(35.45)	(20.72)
Deferred tax		(69.31)	123.05
Total Tax Expenses (F)		520.24	3,902.33
Profit for the year (E) - (F) = (G)		942.61	6,962.71
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss Remeasurement of defined benefit obligation		(46.03)	(137.04)
(ii) Income tax relating to items that will not be reclassified to profit or loss		16.09	48.64
Total other comprehensive income (net of tax) (H)		(29.94)	(88.40)
Total comprehensive income for the year comprising profit and other comprehensive income for the year (G) + (H)		912.67	6,874.31
Basic and diluted earnings per equity share (₹)	33	29.46	217.58
Nominal value per equity share (₹)		10.00	10.00
Significant accounting policies	1		
Additional Information	34		

The accompanying notes are an integral part of the financial statements

For and on Behalf of Board of Directors of KSE Limited
(CIN No.L15331KL1963PLC002028)

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/-
Irinjalakuda
May 30, 2019

P.D. Anto
Director (DIN : 00106965) 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, 2019

A. EQUITY SHARE CAPITAL

	No. of Equity shares	Amount ₹ in lakhs
Equity shares of ₹ 10 each subscribed and fully paid up		
Balance as at 31 st March, 2018	32,00,000	320.00
Changes in equity share capital during 2018-19	—	—
Balance as at 31 st March, 2019	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, 2018								
Balance at the beginning of the reporting period	78.18	3.00	162.24	154.97	8,300.00	5,595.10	(234.35)	14,059.14
Profit for the year	—	—	—	—	—	942.61	—	942.61
Other comprehensive income net of taxes	—	—	—	—	—	—	(29.94)	(29.94)
Total comprehensive income	—	—	—	—	—	942.61	(29.94)	912.67
Dividends (including taxes)	—	—	—	—	—	(2,314.66)	—	(2,314.66)
Transfer to/(from) retained earnings	—	—	—	—	200.00	(200.00)	—	—
As at 31 st March, 2019	78.18	3.00	162.24	154.97	8,500.00	4,023.05	(264.29)	12,657.15

Significant accounting policies - See Note No. 1

The accompanying notes are integral part of the financial statements.

For and on Behalf of Board of Directors of KSE Limited
(CIN No.L15331KL1963PLC002028)Jose Paul Thaliyath
Chairman (DIN : 01773031)

Sd/-

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May 30, 2019

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P.D. Anto
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As per our report of
even date attached
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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, 2019

Particulars	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	942.61	6,962.71
Adjustments for:		
Depreciation and amortisation expense	334.16	352.27
Finance costs	130.85	119.91
Tax Expense	520.24	3,902.33
Remeasurement of defined benefit plan	(46.03)	(137.04)
Net gain arising on investments - measured at fair value through profit or loss	(24.16)	(130.16)
Interest income from banks	(120.74)	(11.40)
Provision for employee benefits - Compensated Leave absences	16.89	8.53
Provision for doubtful debts and advances	47.67	—
Advances received from customers no more payable written back	(9.23)	—
Advances from customers written back in earlier years - refunded in current year	—	2.30
Gain on sale of current investments classified at fair value	(364.89)	(203.98)
Net carrying cost of car included in General Charges (See Note 34.6)	18.80	—
Net gain on sale of property, plant and equipment	(5.49)	(2.61)
Operating profit before working capital changes	1,440.68	10,862.86
Adjustments for:		
Inventories	289.28	(1,619.89)
Trade receivables, loans & advances and other current assets	(194.93)	(84.83)
Trade payables, other current liabilities and provisions	(1,151.26)	(1,056.91)
Cash generated from operations	383.77	9,922.50
Income-tax paid	(1,643.69)	(3,469.50)
Net cash from / (used in) operating activities (a)	(1,259.92)	6,453.00

Particulars	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(202.88)	(209.52)
Sale of property, plant and equipment	9.61	18.67
Advance for purchase of property, plant and equipment	(26.53)	(31.34)
Purchase of investments	(7,000.00)	(15,500.00)
Redemption of investments	11,461.51	11,011.34
Bank deposits not treated as cash and cash equivalents	(605.51)	(614.26)
Bank deposits with long term maturity	(0.76)	(0.71)
Interest income from banks	71.86	7.04
Net cash from / (used) in investing activities (b)	<u>3,707.30</u>	<u>(5,318.78)</u>
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds /(repayment) of short-term bank borrowings	(158.25)	438.27
Acceptance of public deposits	445.16	280.47
Repayment of public deposits	(394.12)	(261.96)
Bank balances pertaining to unencashed dividend warrants	(15.72)	10.97
Finance costs	(160.63)	(104.78)
Dividends paid (including dividend distribution tax)	(2,298.95)	(1,166.40)
Net cash from / (used in) financing activities (c)	<u>(2,582.51)</u>	<u>(803.43)</u>
D NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (a) + (b) + (c)	(135.13)	330.79
Cash and cash equivalents at the beginning of the year	1,279.17	948.38
Cash and cash equivalents at the close of the year (See Note 11)	<u>1,144.04</u>	<u>1,279.17</u>
E NET INCREASE / (DECREASE) AS DISCLOSED ABOVE	(135.13)	330.79
Significant accounting policies - See Note 1		

The accompanying notes are integral part of the financial statements.

For and on Behalf of Board of Directors of KSE Limited
(CIN No.L15331KL1963PLC002028)

Jose Paul Thaliyath
Chairman (DIN : 01773031)

Sd/-

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May 30, 2019

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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, 2019

GENERAL INFORMATION ABOUT THE COMPANY

KSE Limited ("the Company") is a public limited company incorporated in India 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, 2019.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation of Financial Statements

The 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.

The 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

An 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, where 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 the 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 and judgements

The key assumptions concerning the future and other key sources of estimating uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

a. 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.

b. Employee Benefits

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of obligations.

c. Provision for Bad Debts

Provision for bad debts are based on management's estimate of risks involved in recovery of stagnant balances which are reviewed periodically. Similarly, write back of customers dues are based on management's estimate after review of stagnant balances periodically.

d. Inventory obsolescence

Inventory is valued by the management after making necessary provisions for obsolescence based on management's estimate after review of slow and non-moving items periodically.

e. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and assumptions. Where, in spite of best efforts, a reliable basis for fair value cannot be obtained, the carrying amount is substituted as fair value.

f. Taxes

Income tax, GST and other applicable taxes are computed and paid as per the law for the time being in force. Impact of decisions of Supreme Court and jurisdictional appellate bodies to the extent possible are considered above. Advance rulings sought by third parties are by and large not binding on the company as facts may differ.

1.5 Revenue from Contracts with Customers

The Company has adopted Ind AS 115 - Revenue from Contracts with Customers (Ind AS 115, the standard), with effect from 1st April, 2018, using the cumulative effect method for transition. The adoption of the standard did not have any material impact to the financial statements.

Revenue from contracts with customers is recognised on transfer of control of goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration, if any) is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Sale of products: Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is delivered to the customer.

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, if any, 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.

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.

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.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

Since most of the financial assets are current, the effect of discounting the future cash receipts to the initial recognition value is not expected to be material and hence not done. Interest income is earned on financial assets maturing within 12 months and hence interest income is recognised over the relevant period of the financial asset under other income in the Statement of Profit and Loss.

(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. However, there were no derivative financial instruments in the years 2017-18 and 2018-19.

(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 as 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, if any, are not recognised in the accounts but are disclosed by way of notes to the accounts.

1.12 Foreign currency

Functional currency and presentation currency

The functional currency of the company is the Indian rupee. The 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 profit for the year 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, if any, 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

Cost of finished goods includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, ineligible tax credits as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

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 **Changes in Accounting Standards and recent accounting pronouncements**

On March 30, 2019 the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2019, notifying Ind AS 116 on Leases. Ind AS 116 would replace the existing leases standard Ind AS 17 with effect from 01.04.2019.

The Companies (Indian Accounting Standards) Amendment Rules, 2019 also notified amendments to the following accounting standards. The amendments would be effective from April 1, 2019.

1. Ind AS 12, Income taxes – Appendix C on uncertainty over income tax treatments
2. Ind AS 12, Income Taxes - Accounting for Dividend Distribution Taxes
3. Ind AS 23, Borrowing costs
4. Ind AS 28 – Investment in associates and joint ventures
5. Ind AS 103 and Ind AS 111 – Business combinations and joint arrangements
6. Ind AS 109 – Financial instruments
7. Ind AS 19 – Employee benefits

The Company is in the process of evaluating the impact of such amendments.

2A. PROPERTY, PLANT AND EQUIPMENT

₹ in lakhs

	Gross Carrying Value				Depreciation			Net Carrying Value
	Cost as at 01.04.2018	Additions	Sales/ Adjustments	Cost as at 31.03.2019	Up to 01.04.2018	For the year	Sales/ Adjustments	Up to 31.03.2019
Freehold Land	882.93	—	—	882.93	—	—	—	882.93
Leasehold Land	91.48	—	—	91.48	2.41	1.20	—	3.61
Buildings	937.46	28.35	—	965.81	235.79	106.28	—	342.07
Plant and Equipment	1,243.18	118.20	0.30	1,361.08	336.22	166.16	0.10	502.28
Furniture and Fixtures	6.46	0.16	—	6.62	3.28	0.95	—	4.23
Vehicles	203.81	14.03	63.27	154.57	76.05	40.05	40.68	75.42
Office Equipment	28.15	39.81	0.19	67.77	13.62	18.46	0.05	32.03
Total Tangible Assets	3,393.47	200.55	63.76	3,530.26	667.37	333.10	40.83	959.64
								2,570.62
	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
Freehold Land	882.93	—	—	882.93	—	—	—	882.93
Leasehold Land	91.48	—	—	91.48	1.21	1.20	—	2.41
Buildings	920.14	17.32	—	937.46	115.51	120.28	—	235.79
Plant and Equipment	1,158.26	93.88	8.96	1,243.18	156.30	182.78	2.86	336.22
Furniture and Fixtures	6.42	0.04	—	6.46	1.95	1.33	—	3.28
Vehicles	140.42	80.84	17.45	203.81	44.50	39.09	7.54	76.05
Office Equipment	16.25	12.02	0.12	28.15	6.49	7.21	0.08	13.62
Total Tangible Assets	3,215.90	204.10	26.53	3,393.47	325.96	351.89	10.48	667.37
								2,726.10

2B. CAPITAL WORK IN PROGRESS

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Buildings	7.27	—
Plant and Equipment	38.62	17.09
Total	45.89	17.09

2C. OTHER INTANGIBLE ASSETS

₹ in lakhs

	Gross Carrying Value				Depreciation			Net Carrying Value
	Cost as at 01.04.2018	Additions	Sales/ Adjustments	Cost as at 31.03.2019	Up to 01.04.2018	For the year	Sales/ Adjustments	Up to 31.03.2019
Softwares	3.44	3.53	—	6.97	2.38	1.06	—	3.44
Total	3.44	3.53	—	6.97	2.38	1.06	—	3.44
								3.53
	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
Softwares	3.44	—	—	3.44	1.99	0.38	—	2.38
Total	3.44	—	—	3.44	1.99	0.38	—	2.38
								1.06

3. INVESTMENTS - NON CURRENT

Particulars	Face value each ₹	No. of Shares	As at 31.03.2019	As at 31.03.2018
			₹ 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
ii) Kerala Enviro Infrastructure Ltd.	10	5,000	0.50	0.50
iii) Cochin Waste 2 Energy Private Ltd.	10	50,000	5.00	5.00
Less : Provision for diminution in value			(5.00)	(5.00)
iv) Coconut Oil & Copra Producers' Co-Op. Society Ltd.	100	1	0.00	0.00
c) Investments at fair value through profit or loss			—	—
Total			2.50	2.50

Note 3.1 These are unquoted shares. The fair value is assumed to be the carrying amount in the absence of information thereto.

4. LOANS - NON CURRENT

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Unsecured, considered good		
a) Security Deposits	109.14	111.52
b) Other Loans - Loans to Employees	9.66	18.06
Total	118.80	129.58

5. OTHER FINANCIAL ASSETS - NON CURRENT

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Bank deposits with maturity of more than 12 months	1.90	1.14
Interest accrued on Loans to employees	7.72	6.49
Total	9.62	7.63

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

6. TAX ASSETS - NON CURRENT

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Income Tax Advance (net)	38.13	—
Total	38.13	—

7. OTHER NON CURRENT ASSETS

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Unsecured, considered good		
Capital Advances	31.32	47.79
Unsecured, considered doubtful		
Capital Advance	13.00	—
Provision for doubtful Advance	(13.00)	—
Total	31.32	47.79

8. INVENTORIES

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Raw materials	4,511.04	7,038.65
Finished goods	3,505.83	1,264.25
Packing Materials	355.48	400.52
Stores and spares	390.26	348.47
Total	8,762.61	9,051.89

Note 8.1 See Note 1.20 for method of valuation of inventories.

Note 8.2 Raw material include goods in transit amounting to ₹ 26.99 lakhs (previous year 131.17 lakhs).

9. INVESTMENTS - CURRENT

Particulars	Face value each ₹	As at 31.03.2019		As at 31.03.2018	
		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 Floating Interest Fund - Direct Plan - Growth	100	343852.823	1,000.52	—	—
ii. ICICI Prudential Savings fund - Direct Plan - Growth	100	—	—	968267.885	2,617.66
iii. UTI-Ultra Short Term Fund -Direct Growth Plan	1000	71977.374	2,259.14	89868.852	2,616.08
iv. LIC MF Liquid Fund - Direct Plan - Growth	1000	29538.583	1,001.02	98345.196	3,099.39
Total			4,260.68		8,333.13
Aggregate amount of unquoted investments at cost			4,236.52		8,202.97

10. TRADE RECEIVABLES

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
(i) Considered good		
Secured	1.37	1.88
Unsecured	13.96	15.32
Sub-total	15.33	17.20
(ii) Considered credit impaired - Unsecured	1.59	1.59
Less: Provision for credit impaired	(1.59)	(1.59)
Sub-total	—	—
Total	15.33	17.20

11. CASH AND CASH EQUIVALENTS

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Balances with Banks	1,117.42	1,244.36
Cheques/drafts on hand	7.41	9.05
Cash on hand	19.16	25.73
Stamps on hand	0.05	0.03
Total	1,144.04	1,279.17

12. OTHER BANK BALANCES

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Balances with Banks		
in current accounts	110.45	94.73
in deposit accounts	1,305.37	699.86
Total	1,415.82	794.59

Note 12.1 Balances with banks include restricted bank balances of ₹ 215.81 lakhs (Previous year ₹ 193.47 lakhs). The restrictions are primarily on account of bank balances held as margin money deposits against guarantees ₹ 4.36 lakhs (Previous year ₹ 3.74 lakhs) and earmarked bank balances for (1) unpaid dividends ₹ 110.45 lakhs (Previous year ₹ 94.73 lakhs) and (2) deposit repayment reserve account ₹ 101.00 lakhs (Previous year ₹ 95.00 lakhs).

13. LOANS - CURRENT

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Unsecured, considered good		
Other Loans - Advances to Employees	146.01	139.44
Loans to Employees	9.79	9.68
Total	155.80	149.12

14. OTHER FINANCIAL ASSETS - CURRENT

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Unsecured, considered good		
Interest accrued on bank deposits	59.10	10.22
Insurance claim receivable	10.65	—
Others	—	0.02
Total	69.75	10.24

15. TAX ASSETS - CURRENT

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Income Tax Advance (net)	527.03	—
Total	527.03	—

16. OTHER CURRENT ASSETS

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Advances recoverable in cash or in kind or for value to be received		
(a) Unsecured - Considered Good		
- Prepaid Expenses	201.95	226.05
- Balance with government authorities	169.18	102.79
- Other Advances	180.88	68.80
(b) Unsecured - Considered Doubtful (See Note No. 34.7)	34.67	—
Less : Provision for doubtful advances	(34.67)	—
Total	552.01	397.64

17. SHARE CAPITAL

Particulars	Par value each ₹	Number of shares	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Authorised:				
Equity shares	10	99,40,000	994.00	994.00
13.50 % Redeemable cumulative preference shares	100	6,000	6.00	6.00
		99,46,000	1,000.00	1,000.00
Issued:				
Equity shares	10	32,02,820	320.28	320.28
Subscribed and Paid up:				
Equity shares	10	32,00,000	320.00	320.00

Note 17.1	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 17.2 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 ₹ 15 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 17.3 Details of shareholders holding more than 5 % of the equity shares:

	As at 31.03.2019		As at 31.03.2018	
	Number of shares	% of holding	Number of shares	% of holding
PJD Properties and Investments P. Ltd.	5,65,400	17.67%	5,60,900	17.53%

Note 17.4 There was no fresh issue or buying back of shares in the preceding five years.

Note 17.5 There was neither bonus issue nor any other issue of shares in the preceding five years.

18. OTHER EQUITY

Particulars	As at 31.03.2019 ₹ in lakhs		As at 31.03.2018 ₹ in lakhs	
Capital Reserve		78.18		78.18
Capital Redemption Reserve		3.00		3.00
Securities Premium Reserve		162.24		162.24
Gratuity Reserve		154.97		154.97
General Reserve				
Balance at the beginning of the year	8,300.00		5,800.00	
Add : Transfer from Retained Earnings	200.00	8,500.00	2,500.00	8,300.00
Retained Earnings				
Balance at the beginning of the year	5,360.75		2,141.87	
Add : Profit for the year	942.61		6,962.71	
Less : Remeasurement of defined benefit obligation, net of tax	(29.94)		(88.40)	
Less : Transfer to General Reserve	(200.00)		(2,500.00)	
Less : Dividend	(1,920.00)		(960.00)	
Less : Dividend distribution tax	(394.66)		(195.43)	
		3,758.76		5,360.75
Total		12,657.15		14,059.14

Note 18.1 The Board of Directors of the company has proposed final dividend of ₹ 15 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, 2019 amounts to ₹ 578.67 lakhs, including dividend distribution tax of ₹ 98.67 lakhs.

19. BORROWINGS - NON CURRENT

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Public Deposits - Unsecured	699.10	561.67
Total	699.10	561.67

Note 19.1 See Note 23 for current maturities of long-term debt.

Note 19.2 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 31.03.2019 ₹ in lakhs	Balance as on 31.03.2018 ₹ in lakhs
(a) One year	8.00 % p.a.	2.07	7.09
(b) Two years	9.00 % p.a.	4.99	14.89
(c) Three years	10.00 % p.a.	983.40	724.59
(d) Three years	11.00 % p.a.	—	192.85
Total		990.46	939.42

Note 19.3 The year-end balances of Public deposits accepted are included under the following Notes:

	Note No.	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
(a) Borrowings Non-current	19	699.10	561.67
(b) Borrowings Current	21	2.07	7.09
(c) Other Financial Liabilities -Current	23	289.29	370.66
Total		990.46	939.42

Note 19.4 Public Deposits include deposits accepted from Directors ₹ 2.41 lakhs (Previous year ₹ 1.66 lakhs) on the same terms and conditions as applicable to other depositors.

20. DEFERRED TAX LIABILITIES(NET)

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Deferred tax (assets)/liabilities in relation to :		
Property, plant and equipment and intangible assets	(0.59)	17.76
Provision for employee benefits	42.01	59.10
Investments	8.44	45.48
Others	(36.64)	(23.72)
Deferred tax (assets) /liabilities (net)	13.22	98.62

Also see Note 34.2 (ii)

21. BORROWINGS - CURRENT

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Loans repayable on demand from Banks - Secured		
- Cash credit	3,296.54	3,454.79
Public Deposits - Unsecured	2.07	7.09
Total	3,298.61	3,461.88

Note 21.1 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 21.2 See Note 19.2 for rate of interest and terms of repayment of public deposits.

22. TRADE PAYABLES

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Total outstanding dues of micro enterprises and small enterprises	3.63	13.56
Total outstanding dues of creditors other than micro enterprises and small enterprises	796.76	1,498.67
Total	800.39	1,512.23

Note 22.1 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 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
(i) Principal amount due and remaining unpaid to any supplier as at the end of each accounting year	3.63	13.56
(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 Micro, Small and Medium Enterprises Development Act, 2006	—	—
(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	—	—

23. OTHER FINANCIAL LIABILITIES - CURRENT

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Current Maturities of long-term debt		
- Public Deposits - Unsecured	289.29	370.66
Interest accrued but not due on public deposits	90.38	120.16
Unpaid dividend	110.44	94.73
Unpaid matured deposits and interest accrued thereon	1.41	1.27
Employee benefits expense payable	599.88	803.14
Creditors for expenses	230.45	385.84
Total	1,321.85	1,775.80

Note 23.1 Public Deposits include deposits accepted from Directors ₹ 1.00 lakh (Previous year ₹ 1.75 lakh) on the same terms and conditions as applicable to other depositors.

Note 23.2 Interest accrued but not due on public deposits includes ₹ 0.11 lakh (Previous year ₹ 0.04 lakh) due to Directors.

Note 23.3 See Note 19.2 for rate of interest and terms of repayment of public deposits.

Note 23.4 Unpaid matured deposits and interest accrued thereon represents interest paid to depositors remaining unencashed.

24. OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Security deposits	117.86	111.04
Advance from customers	297.69	366.36
Statutory and other dues	197.61	209.01
Total	613.16	686.41

25. CURRENT TAX LIABILITIES (NET)

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Taxation (net of advance tax)	—	488.98
Total	—	488.98

26. OTHER INCOME

Particulars	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
Interest income		
- from banks (TDS ₹ 6.17 lakhs - Previous year ₹ 0.92 lakh)	120.74	11.40
- from others (TDS ₹ 0.62 lakh - Previous year ₹ 0.67 lakh)	20.98	19.92
	141.72	31.32
Gain on sale of investments classified at fair value through profit and loss	364.89	203.98
Net gain arising on investments measured at fair value through profit and loss	24.16	130.16
Income from wind energy	83.01	72.96
Insurance claim received	17.17	0.42
Net gain on sale of property, plant and equipment	5.49	2.61
Advances received from customers no more payable written back	9.23	—
Miscellaneous income	120.59	77.62
Total	766.26	519.07

27. COST OF MATERIALS CONSUMED

Particulars	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
Opening Stock	6,907.48	5261.18
Purchases	1,05,097.79	97,736.41
	1,12,005.27	1,02,997.59
Less : Closing stock	4,484.05	6,907.48
Cost of Material consumed	1,07,521.22	96,090.11

28.CHANGES IN INVENTORIES OF FINISHED GOODS

Particulars	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
Opening Stock	1,264.25	1,530.80
Closing Stock	3,505.83	1,264.25
Changes in inventories of finished goods	(2,241.58)	266.55

29.EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
Remuneration and benefits to Employees and Directors		
Salary, wages, gratuity and bonus	4,152.28	3,771.67
Contribution to Provident Fund	324.66	300.51
Contribution to Employees' State Insurance Corporation	55.81	65.91
Contribution to KSE Ltd. Employees' Group Gratuity Fund Trust	92.47	83.99
Staff welfare expenses (See Note 34.23)	261.76	455.15
Total	4,886.98	4,677.23

29.1 Salary wages gratuity and bonus includes the leave salary paid to former managing director amounting to ₹ 7.50 lakhs. See Note No. 34.6.

30.FINANCE COSTS

Particulars	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
Interest Expenses		
- on Cash Credit	24.27	12.55
- on Public Deposits	106.05	107.09
- on Others	— 130.32	— 119.64
Other Borrowing Costs - Bank charges	0.53	0.27
Total	130.85	119.91

Note 30.1: Interest Expenses on Public Deposits include ₹ 0.35 lakh (Previous year ₹ 0.35 lakh) being interest paid on deposits accepted from Directors.

31.DEPRECIATION AND AMORTISATION EXPENSES

Particulars	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
Tangible Assets	333.10	351.89
Intangible Assets	1.06	0.38
Total	334.16	352.27

32. OTHER EXPENSES

Particulars	Year ended 31.03.2019 ₹ in lakhs		Year ended 31.03.2018 ₹ in lakhs	
Processing charges		2,388.89		1,451.40
Packing materials consumed		2,860.80		2,723.01
Power and fuel		1,606.30		1,499.88
Freight		676.03		626.33
Stores and spares consumed		642.55		637.00
Rent (See Note 34.11)		13.40		11.43
Rates and taxes		97.53		68.46
Repairs				
Plant and machinery	63.99		37.18	
Building	23.69		17.65	
Vehicles	26.67		11.15	
Others	258.44	372.79	215.26	281.24
Travelling and conveyance		61.73		52.96
Advertisement and Sales promotion (See Note 34.23)		211.80		253.77
Postage and telephone		35.33		33.68
Printing and stationery		28.47		27.00
Insurance		36.44		53.55
Sitting fees to Directors		23.60		20.58
Carrying cost of car given to former MD as terminal benefits (See Note 34.6)		18.80		
Payments to Auditors and expenses				
For Audit	6.00		5.00	
For Tax audit	1.00		1.00	
For Sales-tax audit/GST Audit	1.50		1.00	
For Limited Review	3.00		2.00	
For Certification works	0.20		0.50	
Travelling and out-of-pocket expenses	6.94		1.19	
GST on the above	1.98	20.62	0.40	11.09
Professional charges		54.44		58.82
Commission and Brokerage		0.14		0.05
Bank Charges (See Note 34.23)		6.96		19.40
Loss on exchange rate fluctuation (net)		—		12.27
Corporate Social Responsibility Expenditure (See Note 34.27)		121.88		60.25
Provision for doubtful debts and advances		47.67		—
Advances written back in earlier years refunded in current year		—		2.30
General charges		115.81		105.62
Total		9,441.98		8,010.09

33. EARNINGS PER SHARE

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Profit for the year as per the statement of Profit and Loss (Before Other Comprehensive Income) (₹ in lakhs)	942.61	6,962.71
Number of Equity Shares	32,00,000	32,00,000
Basic and diluted earnings per share (₹)	29.46	217.58

34. ADDITIONAL INFORMATION

34.1 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 31.03.2019	As at 31.03.2018
Financial Assets measured at Fair value through Other Comprehensive Income Investments in Equity shares - Unquoted	3	2.50	2.50
Financial Assets measured at Fair value through Profit or Loss Investment in Mutual Funds - Unquoted	2	4,260.68	8,333.13

Category wise classification of financial instruments is as follows:

Particulars	Refer Note	Fair Value (₹ in lakhs)	
		As at 31.03.2019	As at 31.03.2018
Financial Assets measured at Fair value through Other Comprehensive Income Investments in Equity shares - Unquoted (Non current)	3	2.50	2.50
Financial Assets measured at Fair value through Profit or Loss Investment in Mutual Funds - Unquoted (Current)	9	4,260.68	8,333.13
Financial Assets measured at amortised cost Non current:			
i. Loans	4	118.80	129.58
ii. Other Financial Assets	5	9.62	7.63
Current:			
i. Trade receivables	10	15.33	17.20
ii. Bank balances other than cash and cash equivalents	12	1,415.82	794.59
iii. Loans	13	155.80	149.12
iv Other Financial Assets	14	69.75	10.24
v. Cash and cash equivalents	11	1,144.04	1,279.17
		7,192.34	10,723.16
Financial Liabilities measured at amortised cost Non Current:			
i. Borrowings	19	699.10	561.67
Current:			
i. Borrowings	21	3,298.61	3,461.88
ii. Trade payables	22	800.39	1,512.23
iii. Other financial liabilities	23	1,321.85	1,775.80
		6,119.95	7,311.58

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, 2019, the Company has only one class of equity shares. The company is not subject to any externally imposed capital requirements.

34.2 Taxation

- (i) Reconciliation of income tax expense for the year to accounting profit - based on provisional Income tax workings, subject to audit under the relevant tax statutes.

₹ in lakhs

	Year Ended 31.03.2019	Year Ended 31.03.2018
(a) Profit before Tax as per Statement of Profit and Loss	1,462.85	10,865.04
Add : Other Comprehensive Income that will not be reclassified to Statement of Profit and Loss	(46.03)	(137.04)
Accounting Profit	1,416.82	10,728.00
(b) Tax on above at the applicable tax rate (refer (i) below)	495.09	3,712.75
(c) Tax effect of items that are not deductible in determining taxable profit	283.46	227.02
(d) Tax effect of items that are deductible in determining taxable profit	(175.45)	(263.58)
	603.10	3,676.19
(e) Add : Interest payable under Income Tax Act	—	89.52
(f) Tax and interest	603.10	3,765.71
(g) Add : Excess Provision made in accounts	21.90	34.29
(h) Current Tax as per Statement of Profit and Loss	625.00	3,800.00
(i) Applicable rate of tax as per Finance Act	34.944%	34.608%
(j) Average effective tax rate (f / a)	42.567%	35.102%

- (ii) Deferred Tax Expense- based on provisional Income tax workings, subject to audit under the relevant tax statutes.

₹ in lakhs

	As at 31.03.2018	Charge / (credit) to Statement of Profit or loss (2018-19)	Charge / (credit) to Statement of Other Comprehensive Income (2018-19)	As at 31.03.2019 (d) + (e) + (f)
	(d)	(e)	(f)	(g)
(a) Property, Plant and Equipment	17.76	(18.35)		(0.59)
(b) Employee Benefits	59.10	(1.00)	(16.09)	42.01
(c) Investments	45.48	(37.04)		8.44
(d) Other Current Liabilities	(23.72)	(12.92)		(36.64)
	98.62	(69.31)	(16.09)	13.22

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

	2018-19 ₹ in lakhs	2017-18 ₹ 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	49.70
c) Other money for which the Company is contingently liable	—	—
	172.23	174.35
II Commitments		
a) Estimated amount of contracts remaining to be executed on capital account not provided for	73.54	92.77
b) Uncalled liability on shares and other investments partly paid	—	—
c) Letter of credit for import of raw materials	—	92.77
TOTAL	245.77	267.12

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 lakhs (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 had filed appeal before the Commissioner (Appeals), Central Excise and Service Tax, which has been disposed by him against the Company. Company has taken steps to file appeal against the said Order before the Tribunal, with in the stipulated time.
- (ii) Assistant Commissioner (Assessment), Department of Commercial taxes, Thrissur had issued order demanding ₹ 25.40 lakhs (including interest ₹ 12.64 lakhs) 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) Southern Railway had raised two demands aggregating to ₹ 57.11 lakhs 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.

- (iv) (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 ₹ 1.57 lakhs for delay in payment of contributions relating to the period when the above stay was in operation and ₹ 0.19 lakh 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 lakhs 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 ₹ 1.63 lakhs as interest and ₹ 0.60 lakh 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 ₹ 0.75 lakh towards this demand on the direction of the Court, while granting stay. The balance demand not paid is ₹ 1.48 lakhs, and the case is still pending before ESI Court, Palakkad.
- (v) Kerala State Electricity Board (KSEB) had issued an order demanding ₹ 1.12 lakhs 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.

- 34.4 During this year, due to certain additional requirements of the Department of Customs, while importing copra expeller cake, there was delay in clearing the same, resulting in payment of container detention charges and other incidental expenses totally amounting to ₹ 170.50 lakhs (net of GST), which has been shown as exceptional items. There are no pending proceedings in this regard as at 31.03.2019.
- 34.5 The appointment / reappointment of Managing Director by the Board of Directors and the remuneration paid to him in accordance to the said appointment /reappointment are subject to approval of the Central Government as provided under Companies Act, 2013.
- 34.6 Company has handed over the motor car, owned by the company and used by Late M.C. Paul, Ex-Managing Director, having a written down value of ₹ 18.80 lakhs to Mrs. Annie Paul, wife of Late M.C. Paul. Company has also paid ₹ 7.50 lakhs to her in respect of leave salary of Late M.C. Paul. The above payments made in appreciation of his services as Managing Director of the Company, are subject to approval of the shareholders at the ensuing annual general meeting of the Company.
- 34.7 During the year ended 31st March, 2019, fraud committed by a trusted employee of the company, for over a period of five years, aggregating to the extent of ₹ 39.67 lakhs was detected and suitable remedial action has been taken to prevent occurrence of similar instances. A sum of ₹ 5 lakhs has been realised from that employee and the company has made provision for the balance even though the company is hopeful of realising the balance amount. The company is in the process of identifying the year wise monetary impact of this fraud. Pending this, it is impracticable for the company to restate the figures of prior periods as stated in Ind-AS 8 relating to errors.
- 34.8 Ice cream and milk together worth ₹ 15 lakhs has been lost and an additional amount of ₹ 4.43 lakhs has been spent for repairs to plant and equipments damaged, due to the flood in August, 2018, against which an amount of ₹ 6.17 lakhs has been received as claim from the insurance company.
- 34.9 The closing stock of solvent extracted coconut oil has been valued at net realisable value as the said value is lesser than the production cost as on 31st March, 2019. As a result of this, the impact on the inventory is ₹ 274.28 lakhs as on that date.

34.10 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:

	2018-19 ₹ in lakhs	2017-18 ₹ in lakhs
Employer’s Contribution to Provident Fund	324.66	300.51
Employer’s Contribution to Employee’s State Insurance Corporation	55.81	65.91

II Defined Benefit Plan / Other Long Term Benefits -

	Gratuity (Funded)		Compensated absences (Funded)	
	2018-19	2017-18	2018-19	2017-18
(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%	7.65%	7.65%	7.65%
Compensation escalation Rate (per annum)	8.00%	8.00%	8.00%	8.00%
Mortality Rate	Indian Lives Mortality (1994-96) Ultimate Table			
	2018-19	2017-18	2018-19	2017-18
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
(ii) Reconciliation of present value of obligations				
Present value of obligation at the beginning of the year	1,733.86	1,484.29	155.99	147.45
Current service cost	98.51	92.99	137.72	135.53
Interest cost	139.08	119.40	17.54	16.79
Actuarial (gain) / loss	46.03	137.04	(137.66)	(84.39)
Benefits paid	(155.85)	(99.86)	(0.71)	(59.39)
Present value of obligations at the end of the year	1,861.63	1,733.86	172.88	155.99
(iii) Reconciliation of fair value of plan assets				
Fair value of plan assets at the beginning of the year	1,912.38	1,706.68	159.35	147.91
Expected return on plan assets	146.30	130.56	12.19	11.32
Actuarial gain / (loss)	(1.18)	(2.16)	0.67	0.03
Contributions	106.51	177.16	65.83	0.50
Benefits paid	(155.85)	(99.86)	(0.70)	(0.41)
Fair value of plan assets at the end of the year	2,008.16	1,912.38	237.34	159.35
(iv) Description of plan assets - Insurer managed assets	2,008.16	1,912.38	237.34	159.35
(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	1,861.63	1,733.86	172.88	155.99
Fair value of plan assets at the end of the year	2,008.16	1,912.38	237.34	159.35
Net present value of funded obligation recognised as (asset) / liability in the balance sheet	(146.53)	(178.52)	(64.46)	(3.36)

		Gratuity (Funded)		Compensated absences (Funded)	
		2018-19	2017-18	2018-19	2017-18
		₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
(vii)	Expenses recognised in the statement of profit and loss				
	Current service cost	98.51	92.99	137.72	135.53
	Interest cost	139.08	119.40	17.54	16.79
	Expected return on plan assets	(146.30)	(130.56)	(12.19)	(11.32)
	Actuarial (gain) / loss recognised in the period	47.21	139.20	(138.33)	(84.42)
	Total expenses recognised in the statement of profit and loss for the year	138.50	221.03	4.74	56.58
	Actual return of plan assets	145.12	128.40	12.86	11.35
(viii)	Non-current and current value of obligation				
	Non-current	1,717.33	1,617.89	148.95	142.85
	Current	144.30	115.96	23.93	13.14
	Total value of obligation	1,861.63	1,733.85	172.88	155.99
		31.03.2019	31.03.2018	31.03.2017	31.03.2016
		₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
(ix)	Amount recognised in current year and previous four years				
	Gratuity (Funded)				
	Present value of defined benefit obligations	1,861.63	1,733.86	1,484.29	1,244.53
	Fair value of plan assets	2,008.16	1,912.38	1,706.68	1,406.25
	Funded status - (asset) / liability	(146.53)	(178.52)	(222.39)	(161.72)
	Actuarial (gain) / loss on plan obligations	46.03	137.04	135.55	87.65
	Actuarial gain / (loss) on plan assets	(1.18)	(2.16)	1.57	2.29
	Compensated absences (Funded)				
	Present value of defined benefit obligations	172.88	155.99	147.45	125.84
	Fair value of plan assets	237.34	159.35	147.91	137.16
	Funded status - (asset) / liability	(64.46)	(3.36)	(0.46)	(11.32)
	Actuarial (gain) / loss on plan obligations	(137.66)	(84.39)	(79.23)	(67.87)
	Actuarial gain / (loss) on plan assets	0.67	0.03	0.32	0.51

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

A. Gratuity (Funded) -

	Year ended 31.03.2019		Year ended 31.03.2018	
	1% increase	1% decrease	1% increase	1% decrease
Discount rate	1715.73	2028.19	1595.27	1892.13
Salary increase rate	2002.82	1733.80	1869.00	1611.14
Employee turnover	2831.22	892.03	2636.90	830.81
Undiscounted Cash flow over the years	4173.70			3924.94

B. Compensated absences (Funded)

	Year ended 31.03.2019		Year ended 31.03.2018	
	1% increase	1% decrease	1% increase	1% decrease
Discount rate	157.80	190.68	142.06	172.36
Salary increase rate	188.71	159.16	170.59	143.29
Employee turnover	262.92	82.84	237.23	74.74
Undiscounted Cash flow over the years	472.40			425.45

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.

(xi) Actuarial gain/ loss arising on experience adjustments

	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Gratuity (Funded)	46.03	137.04
Compensated absences (Funded)	(137.66)	(84.39)

(xii) 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.

34.11 Lease rental payments

	2018-19 ₹ in lakhs	2017-18 ₹ in lakhs
(a) Recognised in statement of profit and loss	13.40	11.43
(b) Future minimum lease rentals payable as per lease agreement at the year end		
(i) Not later than one year	18.45	1.00
(ii) Later than one year and not later than five years	8.40	—
Total	26.85	1.00
(c) The Company has hired buildings under rental arrangements which are treated as operating lease.		

34.12 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	2018-19	104323.37	25901.18	3062.35	133286.90
		2017-18	110894.51	29072.19	2905.43	142872.13
	Less Inter-segment Revenue	2018-19	—	12346.20	—	12346.20
		2017-18	—	12454.80	—	12454.80
	Total Revenue	2018-19	104323.37	13554.98	3062.35	120940.70
		2017-18	110894.51	16617.39	2905.43	130417.33
b)	Segment Results	2018-19	(191.16)	1579.28	63.34	1451.46
		2017-18	6663.95	3884.48	197.51	10745.94
	Add Unallocated income (net of unallocated expenditure)	2018-19				171.02
		2017-18				207.69
	Less Finance Costs	2018-19				130.85
		2017-18				119.91
	Add Interest Income	2018-19				141.72
		2017-18				31.32
	Total Profit before tax and exceptional items	2018-19				1633.35
		2017-18				10865.04
	Less Exceptional items	2018-19				170.50
		2017-18				—
	Profit before tax	2018-19				1462.85
		2017-18				10865.04
c)	Segment Assets	2018-19	6584.53	4172.82	712.18	11469.53
		2017-18	6251.72	4730.47	632.12	11614.31
	Unallocated Assets	2018-19				8253.95
		2017-18				11350.42
	Total Assets	2018-19				19723.48
		2017-18				22964.73
d)	Segment Liabilities	2018-19	1679.29	313.04	217.52	2209.85
		2017-18	2542.16	672.59	141.22	3355.97
	Unallocated Liabilities	2018-19				4536.48
		2017-18				5229.62
	Total Liabilities	2018-19				6746.33
		2017-18				8585.59
e)	Segment Capital Expenditure	2018-19	66.79	4.18	112.32	183.29
		2017-18	61.32	5.05	63.84	130.21
	Unallocated Capital Expenditure	2018-19				49.59
		2017-18				85.26
	Total Capital Expenditure	2018-19				232.88
		2017-18				215.47
f)	Segment Depreciation and amortisation expenses	2018-19	132.09	49.96	48.02	230.07
		2017-18	149.75	57.49	38.58	245.82
	Unallocated Depreciation	2018-19				104.09
		2017-18				106.45
	Total Depreciation and amortisation expenses	2018-19				334.16
		2017-18				352.27
g)	There is no significant non-cash expenses, included in segment expenses, other than depreciation and amortisation expenses in respect of segment assets.					

Notes:

	2018-19 ₹ in lakhs	2017-18 ₹ in lakhs
1 Unallocated assets include		
Property, Plant and Equipment - Windmill	414.95	471.21
Non- current investments	2.50	2.50
Cash and Bank balances	2,561.76	2,074.90
Non-current tax assets	38.13	—
Current tax asset	527.03	—
Current Investments	4,260.68	8,333.13
2 Unallocated liabilities include		
Long Term borrowings	699.10	561.67
Current maturities of Public Deposit	289.29	370.66
Interest accrued but not due on public deposits	90.38	120.16
Deferred tax liabilities	13.22	98.62
Unpaid dividends	110.44	94.73
Short-term borrowings	3,298.61	3,461.88
Provision for taxation (net of advance tax)	—	488.98

34.13 Disclosure of Related Party Transactions in accordance with Ind AS 24 “ Related Party Disclosures”**A. Details of Related Parties:**

Sl. No.	Nature of Relationship	Name of related party
1	Key managerial personnel	
	(a) Executive Directors	Mr. M. C. Paul, Managing Director (upto 22.10.2017) Mr. A.P. George, Managing Director Mr. M.P. Jackson, Executive Director
	(b) Non-Executive Directors	Mr. P.D. Anto Mr. Paul Francis Ms. Marykutty Varghese Ms. Danesa Raghulal Dr. Pyarelal K.C. Dr. Jose Paul Thaliyath, Independent Director Mr. Joseph Xavier, Independent Director Mrs. Sathi A. Menon, Independent Director Mr. Paul John, Independent Director Dr. K.C. Vijayaraghavan (upto 19.04.2018)
2	Entities over which the key managerial personnel and their relatives are able to exercise significant influence having transactions with the Company	
	Emceepee Traders	Surya Agencies, Ijk.
	M.C. Paul and Sons	K.L. Francis & Sons
	MCP Agro Tech. P. Ltd.	K.L. Francis & Co
	MP Gigi	KLF Oil Mills, Trichy
	MCP Rose Supermarket P. Ltd.	KLF Oil Industries, Ijk.
	MCP Enterprises	KLF Nirmal Industries P Ltd
	MCP Food Industries	KPL Oil Mills P. Ltd. Ijk
	Emceepee Agencies	Delicious Cashew India P. Ltd.
	MCP Properties P. Ltd.	Pokkath Agencies

3	Relatives of Key Managerial Personnel having transactions with the Company	
	Mrs. Annie Paul	Mr. Prince Panikulam
	Mr. Bellraj Eapen	Mrs. Teena Prince
	Mrs. Pushpam Bright	Anish P. Anto
	Mrs. Thressiamma George	Ms. Sijy Anish
	Mr. A.G. Antony	Ms. Allu Alex
4	Defined Benefit Gratuity Plan	KSE Employees' Group Gratuity Fund Trust

B. Transactions with Related Parties during the year

		Key Managerial Personnel		Close Family Members of Key Managerial Personnel		Entities Controlled/ Significantly influenced by Directors/ Close Family Members of Directors	
		2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
a.	Revenue Items						
	Revenue from sale of products	—	—	—	—	332.47	372.06
	Purchase of goods	—	—	—	—	1162.73	1097.79
	Remuneration to MD and ED	64.63	59.81	—	—	—	—
	Sitting Fees Paid to Non-executive Directors	23.60	20.58	—	—	—	—
	Reimbursement of Expenses - paid	3.70	2.65	—	—	—	—
	Interest on Public Deposit	0.35	0.35	10.15	12.85	—	—
	Sales Promotion	—	—	—	—	0.77	0.24
	Terminal benefits to Ex-MD	—	—	26.30	—	—	—
	Others	—	—	—	—	—	—
b.	Outstanding at the close of the year						
	Public Deposits	3.52	3.45	105.74	124.21	—	—
	Trade advances received	—	—	—	—	0.54	0.93
	Trade and other payables	—	—	—	—	3.63	8.15
	Bonus and gratuity payable	9.74	8.61	—	—	—	—
	Receivables	—	—	—	—	—	—

Note : Dividends as declared in relevant Annual General Meetings paid to Key Managerial Personnels and their relatives, as applicable, based on shareholdings on the respective book closure dates, are not considered for the above statement.

c. Other entities where significant influence exist :

	2018-19 ₹ in lakhs	2017-18 ₹ in lakhs
Transaction with Defined Benefit Gratuity Plan		
Contribution to KSE Employees' Group Gratuity Fund Trust	138.50	221.03

d. 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.

34.14 Particulars in respect of stock and Revenue from Operations

₹ in lakhs

Sl. No.	Class of goods manufactured	Opening Value		Closing Value		Sales Value	
		2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
1.	Ready-mixed Cattle Feed and Feed Supplement	319.99	568.52	532.77	319.99	103,885.46	101,095.74
2.	De-oiled Coconut Cake	373.33	491.98	434.29	373.33	3,023.69	3,885.45
3.	Refined Coconut Oil	21.52	223.27	488.87	21.52	9,969.87	12,068.91
4.	Solvent Extracted Coconut oil	484.09	209.50	1984.46	484.09	289.80	—
5.	Milk	5.27	4.26	4.87	5.27	1,715.49	1,687.41
6.	Ice Cream	31.32	27.84	32.34	31.32	1,082.40	980.37
7.	Revenue from sale of Raw Materials	—	—	—	—	—	9,832.62
7.	Others	28.73	5.43	28.23	28.73	973.99	874.27
	Total	1,264.25	1,530.80	3,505.83	1,264.25	120,940.70	130,424.77
	Less Excise Duty on ice cream	—	—	—	—	—	7.44
		1,264.25	1,530.80	3,505.83	1,264.25	120,940.70	130,417.33

34.15 Raw materials consumed

		2018-19 ₹ in lakhs	2017-18 ₹ in lakhs
(a)	Coconut Oil Cake	25,984.92	23,004.17
(b)	Rice Bran	34,607.76	32,430.33
(c)	Maize	20,407.31	17,885.81
(d)	Cotton Seed Cake	9,147.04	7,244.55
(e)	Groundnut cake extraction	3,186.17	1,438.81
(f)	Deoiled soyabean cake	1,127.87	1,518.72
(g)	Rapeseed extraction	6,859.06	5,637.32
(h)	Milk	1,442.98	1,385.27
(i)	Others	4,758.10	5,545.13
	Total	107,521.22	96,090.11

34.16 Consumption of raw materials and stores and spares

		Year ended 31 st March 2019		Year ended 31 st March 2018	
		%	₹ in lakhs	%	₹ in lakhs
(a)	Raw Materials				
	Imported	12.63	13,577.23	11.02	10,591.49
	Indigenous	87.37	93,943.98	88.98	85,498.62
	Total	100.00	107,521.22	100.00	96,090.11
(b)	Stores and Spares				
	Imported	1.41	9.06	1.26	8.03
	Indigenous	98.59	633.49	98.74	628.97
	Total	100.00	642.55	100.00	637.00

	Year ended 31 st March 2019	Year ended 31 st March 2018
34.17 CIF value of imports (₹ in lakhs)		
- Raw materials	8,865.72	8,865.42
- Capital goods	Nil	Nil
- Stores and Spares	0.60	10.66
34.18 Expenditure in Foreign Currency (₹ in lakhs)	Nil	Nil
34.19 Earnings in Foreign Exchange (₹ in lakhs)	1.77	4.05
34.20 Remittance in foreign currencies on account of dividend (including remittance to NRE accounts)		
i) No. of Non-Resident shareholders	152	82
ii) No. of shares held by them	57,989	13,316
iii) Dividend remitted in Foreign Currency	Nil	Nil
34.21 Stores and spares consumed includes cost of materials used for repairs and maintenance.		
34.22 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.		
34.23 Certain items of income and expenses have been netted off while reporting and expenses are stated net of recoveries; sale of freezer and contribution received from dealers towards calender and diaries are netted against Advertisement and Sales promotion, Lay time incentive received in foreign currency is netted against respective purchase account. Cost of tea supplied collected from employees is netted against Staff welfare expenses, bank charges recovered is netted against bank charges paid.		
34.24 Matters in connection with Goods and Service Tax		
(a) Balance with Government Authorities under Note 16 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.		
(b) Goods and Service tax attracted on amounts received towards calendar and diaries, recovery from employees towards refreshments and processing charges collected, will be eligible for input credit against corresponding expenditure. Hence, the company does not anticipate any liability on this account.		
34.25 The company has a system of periodically obtaining and reconciling confirmations of balances with banks, suppliers and customers.		
34.26 Effective from April 1, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers". The application of Ind AS 115 did not have any significant impact on the recognition and measurement of the revenue in the financial results of the Company.		
34.27 Corporate Social Responsibility Expenses		

	2018-19 ₹ in lakhs	2017-18 ₹ in lakhs
A. Gross amount required to be spent by the Company during the year	95.22	60.21
B. Amount spent during the year on:		
i Construction/Acquisition of any assets	—	—
ii Purposes other than (i) above (See Note 32)	121.88	60.25
	121.88	60.25
C. Related party transactions included in (B) above	—	—
D. Amount of provision and movement thereof during the year with respect to the above expense	—	—

- 34.28 Unpaid dividend accounts relating to financial years 2009-10 and 2010-11 were transferred, after the expiry of the statutory period, to the Investor Education and Protection Fund (IEPF), whereby these balances were wiped off from the books of accounts. However, the bank's confirmation of balance as on 31.03.2019 reveals balance of ₹ 0.01 lakh and ₹ 0.17 lakhs respectively in these accounts. The company is of the view that these amounts would be unpaid dividend warrants credited back to the accounts by the bank pursuant to Circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20.04.2018. However, pending details / confirmation from the bank, the company has not passed any accounting entry in respect thereof. Steps are being taken to obtain details from the bank and to transfer the amounts to IEPF.
- 34.29 Certain deficiencies in internal controls, certain instances of policy overrides and suggestions for better compliance of certain labour laws put forth by the statutory and internal auditors are taken note of by the company. Steps have been initiated to strengthen the internal controls and adherence to policies and also to ensure strict compliance of all applicable laws. Management is of the view that none of the matters mentioned above have a material impact or would materially impact the financial statements.
- 34.30 In the financial year 2016-17, possession of 1.70 cents of land was given by the company, after receipt of consideration, but pending execution of sale deed (due to certain technical issues) and it was recorded as sale of land in that year. In the current year the sale deed was executed in respect of the said land, in favour of the buyer, after sorting out the technical issue.
- 34.31 Service tax (reverse charge) on account of transportation charges relating to earlier years amounting ₹ 9.52 lakhs is incurred during the year and charged under the head rates and taxes in the statement of profit and loss (Note no. 32). Since the impact in each of the prior years is not material, figures are not re-stated as stipulated in Ind AS 8.
- 34.32 The company does not have any account grouped under 'provisions' in the Ind AS financial statements. Hence, disclosure regarding 'movement in provisions', stipulated in Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets, is not applicable to the company.
- 34.33 Figures of the previous year have been regrouped and recast wherever necessary to suit the current year's layout.

For and on Behalf of Board of Directors of KSE Limited
(CIN No.L15331KL1963PLC002028)

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
Irinjalakuda
May 30, 2019

Sd/-

P.D. Anto
Director (DIN : 00106965)

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

SUMMARISED BALANCE SHEET FOR THE LAST FIVE YEARS

₹ in lakhs

	2018-19	2017-18	2016-17	2015-16	2014-15
A. ASSETS					
1. Net Fixed Assets	2620.04	2744.25	2897.11	2527.09	2745.31
2. Investments	4263.18	8335.63	3512.83	2.50	2.50
3. Current Assets and Advances	12840.26	11884.85	9217.89	9029.20	11054.73
Total asset	19723.48	22964.73	15627.83	11558.79	13802.54
B. LIABILITIES					
1. Secured and unsecured loans	4287.00	4394.21	3937.43	1147.80	1754.93
2. Other Liabilities	2459.33	4191.38	3030.14	3242.14	4866.54
Total liabilities	6746.33	8585.59	6967.57	4389.94	6621.47
C. NET WORTH (A-B)	12977.15	14379.14	8660.26	7168.85	7181.07
REPRESENTED BY					
1. Share Capital	320.00	320.00	320.00	320.00	320.00
2. Other Equity	12657.15	14059.14	8340.26	6848.85	6861.07
Shareholder's equity	12977.15	14379.14	8660.26	7168.85	7181.07

SUMMARISED STATEMENT OF PROFIT AND LOSS FOR THE LAST FIVE YEARS

₹ in lakhs

	2018-19	2017-18	2016-17	2015-16	2014-15
A. EARNED FROM					
1. Sales	120940.70	130417.33	104724.53	92493.46	89970.05
2. Other income	766.26	519.07	209.58	229.99	1208.82
	121706.96	130936.40	104934.11	92723.45	91178.87
B. PAID AND PROVIDED FOR					
1. Raw materials and finished goods	105279.64	106911.86	90184.66	80150.20	74019.27
2. Manufacturing, administrative, selling and other expenses	9612.48	8010.09	7501.91	7093.02	6556.95
3. Employee benefits expense	4933.01	4814.27	4265.09	3695.93	3383.04
4. Finance costs	130.85	119.91	201.53	131.34	194.49
5. Depreciation/amortisation	334.16	352.27	328.06	426.88	636.19
	120290.14	120208.40	102481.25	91497.37	84789.94
C. PROFIT BEFORE TAX (A-B)	1416.82	10728.00	2452.86	1226.08	6388.93
Less: Tax Expenses	504.15	3853.69	905.48	468.01	2025.52
D. NET PROFIT AFTER TAX	912.67	6874.31	1547.38	758.07	4363.41
APPROPRIATED TO					
1. Proposed Dividend	480.00	1920.00	960.00	640.00	1600.00
2. Dividend distribution tax	98.67	394.66	195.43	130.29	322.23
3. Retained in business / (Utilised from accumulated profits)	334.00	4559.65	391.95	(12.22)	2441.18
	912.67	6874.31	1547.38	758.07	4363.41



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)

55th Annual General Meeting

Saturday, August 31, 2019 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 55th Annual General Meeting to be held on 31st August, 2019 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 Accounts for the year ended 31st March, 2019	Ordinary		
2	Declaration of final dividend on equity shares at the rate of ₹15 per equity share	Ordinary		
3	Reappointment of Director, retiring by rotation, Mr. Paul Francis (DIN : 00382797)	Ordinary		
4	Reappointment of Director, retiring by rotation, Dr. Pyarelal K.C. (DIN : 00923913)	Ordinary		
Special Business:				
5	Appointment of Auditors in the casual vacancy	Ordinary		
6	Approval for acceptance of Deposits from Public/Members	Ordinary		
7	Approval of remuneration to Cost Auditor	Ordinary		
8	Appointment of Mr. A.P. George (DIN 00106808) as Managing Director	Ordinary		
9	Reappointment of Mr. A.P. George (DIN 00106808), Managing Director	Ordinary		
10	Approval for payment of posthumous benefits to wife of Late M.C. Paul (DIN 00105776), Ex Managing Director	Ordinary		
11	Reappointment of Dr. Jose Paul Thaliyath (DIN: 01773031) as Independent Director	Special		
12	Reappointment of Mr. Joseph Xavier (DIN: 02943750) as Independent Director	Special		
13	Reappointment of Mr. Paul John (DIN: 00601440) as Independent Director	Special		
14	Appointment of Mr. Verghese CV (DIN: 00779894) as Independent Director	Ordinary		

Signed this day of, 2019

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 55th Annual General Meeting.

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.,
Kozhikode - 673 012. Tel: 0495 2370056



Corporate Office: P.B. No. 20, Solvent Road, Irinjalakuda, Kerala-680 121

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