

# CORPORATE GOVERNANCE REPORT

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## 1. Company's Philosophy on Corporate Governance

Corporate Governance practices enable a company to attract talent, maximize long-term shareholders' value and preserve the interests of multiple stakeholders, including society at large. The company always embarked on good Corporate Governance echoing philosophy of high level of transparency and accountability in the functioning and conduct of business, ensuring regulatory compliance meeting its obligation towards customers, employees and shareholders and society.

Being a value-driven organization, the company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on principles of good corporate governance viz. integrity, equity, transparency, fairness, disclosure, accountability and commitment to values.

The company fosters the culture in which high standards of ethical behaviour, individual accountability and transparent disclosure are ingrained in all its business dealings and shared by its board of directors, management and employees. The company has established systems and procedures to ensure that its board of directors is well-informed and well-equipped to fulfill its overall responsibilities and to provide the management with a strategic direction needed to create long term shareholder value.

The Company is committed to benchmark itself with the best standards of Corporate Governance, not only in form but also in spirit. This section, along with the section on 'Management Discussion & Analysis', constitute the Company's compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 2. Board of Directors

### Size and Composition of the Board

As on 31st March, 2018, the board of directors of the company consisted of 6 members. Two directors including Chairman are Executive; one is Non-Executive Woman Director and three are Non-Executive Independent Directors. The composition of the Board is in conformity with regulation 17 of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All the Independent Directors satisfy the criteria of independence as defined under the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

### Board Meetings:

During the Financial year ended on 31st March, 2018, Five Board Meetings were held and the gap between two meetings did not exceed 120 days.

Date of Meetings
30-05-2017
12-08-2017
23-09-2017
14-11-2017
14-02-2018

The following table gives the composition and category of the Directors, their attendance at the Board meetings held during the year and at the last Annual General meeting, number of other boards or board committees in which he/she is a member or chairperson:-

Name of director/ Designation	Category of Directorship	No. of Board Meetings Attended	Attendance at the last AGM Held on 23.09.2017	No. of Directorships in other companies	No. of committee Positions held in other companies	Number of share/ convertible instruments etc.
Mr. Balbir Singh Uppal (Chairman & Managing Director)	Promoter-Executive	5	Yes	*10	2	NIL
Mr. Janak Raj Singh (Joint Managing Director)**	Promoter-Executive	5	Yes	5	NIL	NIL
Mrs. Vijay Laxmi (Director)	Promoter-Non-Executive	4	Yes	0	NIL	NIL
Mr. Amarjit Singh (Director)	Independent Non-Executive	5	Yes	0	NIL	NIL
Mr. Nirdosh Bali (Director)	Independent Non-Executive	5	Yes	2	NIL	NIL
Mr. V. K. Mishra (Director)	Independent Non-Executive	5	Yes	#4	NIL	NIL

\* Includes 2 companies incorporated outside India.

\*\* Joint Managing Director till 27-03-2018 and Director thereafter.

#Includes a company registered U/s 8.

**Notes:**

- Mr. Balbir Singh Uppal is the father of Mr. Janak Raj Singh. Apart from these Directors none of the other Director is related to each other.

**Decision and Direction**

The Board critically evaluates the Company’s strategic direction, management policies and their effectiveness. The agenda for the Board includes strategic review from each of the Board committee, a detailed analysis and review of annual strategic and operating plans and capital allocation and budgets.

The Board has also established Committees to discharge its responsibilities in an effective manner. Mr. Balbir Singh Uppal provides overall direction and guidance to the Company. In the operations and functioning of the Company, CMD and JMD are assisted by Senior Leadership Team. Additionally, the Board reviews possible risks and risk mitigation measures, financial reports, Compliance Reports and business reports. Frequent and detailed interaction sets the agenda and provides the strategic roadmap for the Company’s future growth.

## Corporate Governance Report

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### Independent Directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration ('NR') Committee, for appointment as Independent Directors on the Board. The NR Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons in accordance with the criteria set for Selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation and takes appropriate decision.

No Non-Executive and Independent Director of the Company served as an Independent Director in more than 7 (seven) Listed Companies. Further, none of the Non-Executive and Independent Director of the Company who is a Whole-Time Director in any Listed Company served as an Independent Director in more than 3 (three) listed companies.

None of the Directors on the Board is a Director in more than 10 (ten) Public Companies nor are they members in Committees of the Board in more than 10 (ten) Committees or Chairperson of more than 5 (five) Committees. Further, there are no pecuniary relationships or transactions between the Independent Directors and the Company other than the sitting fees drawn for attending the meetings of Directors.

### Meeting of Independent Directors

The Independent Directors of the Company meet at least once in a year without the presence of the Executive Directors and other officials of the Company. During the FY 2017-18, one meeting of the Independent Directors of the Company was held on 12-08-2017. The meeting was attended by all the Independent Directors. The agenda of the meeting inter-alia includes:

- Review the performance of Non- Independent Directors and the Board as a whole;
- Review the performance of the Chairperson of the Company taking into account the views of Executive Directors and Non-Executive Directors;
- Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties; and
- Discuss matters pertaining to the Company's affairs.

### Familiarisation programme for Independent Directors

Pursuant to the Code of Conduct for Independent Directors specified under the Companies Act, 2013 and requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has framed a familiarization programme for all its Independent Directors to familiarize them on their roles, rights and responsibilities in the Company.

The Familiarisation programme for Independent Directors is posted on the website [www.lakshmienergyandfoods.com](http://www.lakshmienergyandfoods.com) and can be viewed at the following link - <http://www.lakshmienergyandfoods.com/downloads/FAMILIARIZATIONPROGRAMFORINDEPENDENTDIRECTORS.pdf>

During FY 2017-18, the Board including all Independent Directors were explained about their roles, rights, responsibilities in the Company through detailed presentations. The Board including all Independent Directors was provided with relevant documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices from time to time besides regular briefing by the members of the Senior Leadership Team. Letter of Appointment(s) are

issued to Independent Directors setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments.

### **Information Supplied to the Board of Directors of the Company.**

The Board of Directors of the Company were supplied with all relevant information and supporting papers, which were required, to transact the business specified in the agenda of Meetings of the Board of Directors of the Company held.

### **Codes & Policies**

The Company strives to conduct its business and strengthen its relationships in a manner that is dignified, distinctive and responsible. It adheres to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Accordingly, the following codes and policies were adopted to carry out duties in an ethical manner.

- Vigil Mechanism and Whistle Blower Policy
- Remuneration Policy
- Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions
- Corporate Social Responsibility Policy
- Policy on Material Subsidiaries
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
- Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders
- Code of Conduct

Apart from the above, the company has numerous other policies for the Company's effective and efficient functioning. The said policies are either uploaded on the Company's portal or otherwise communicated to all concerned.

### **Code of Conduct**

The Company has laid down a Code of Conduct for all Board Members and senior management of the Company. The Code is available on the website of the Company i.e. [www.lakshmigroup.in](http://www.lakshmigroup.in). The Code has been circulated to all the members of the Board and senior management and they have affirmed compliance with the Code as on 31st March, 2018.

A declaration signed by the Chairman & Managing Director (CMD) to this effect is a part of the Annual Report.

### **Audit**

M/s. K. Singh & Associates, Chartered Accountants, Chandigarh, audits the Company's accounts. The Company has an Internal Audit Mechanism that keeps check on internal controls, operating systems and procedures.

A dedicated team ensures that the Company conducts its businesses with high standards of legal, statutory and regulatory compliances. At the heart of our processes is the extensive use of technology. This ensures robustness and integrity of financial reporting and internal controls, allows optimal use and protection of assets, facilitates accurate and timely compilation of Financial Statements and Management Reports and ensures compliance with statutory laws, regulations and Company policies.

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### **Meetings & Procedures**

#### **Frequency of meetings and Information Supplied**

The company has a defined system of convening at least 4 pre-scheduled Board meetings annually. However as per the specific requirements additional Board meetings are also convened by giving appropriate notice. When it is not possible to convene a Board Meeting, resolutions are passed by way of circulation to meet the business exigencies or urgency of matters.

The Board is given presentations covering Finance, Sales, Marketing, overview of business operations of subsidiary Companies, global business environment, the Company's business areas, including Business Opportunities and strategy and risk management practices, before taking on record the Company's quarterly/annual Financial Results.

The Chairperson of the Board, CFO and Company Secretary, in consultation with other concerned members of Senior Leader Team, finalise the agenda for Board meetings. In addition to the regular business items, the following items/ information, if any, are placed before the Board to the extent applicable:

- Annual operating plans and budgets and any updates;
- Capital budgets and any updates;
- Quarterly results for the Company and its operating divisions or business segments;
- Minutes of meetings of Audit Committee and other Committees of the Board;
- Information on recruitment of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution notices and penalty notices which are materially important;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems, if any;
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property;
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations;
- Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business;
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material;
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service, such as non-payment of dividend and delay in share transfer, among others, if any.

**Information Material**

The agenda and notes on agenda are circulated to Board in a defined format, in advance. Material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting.

**Minutes**

The Company Secretary records minutes of proceedings of meeting of Board and Committee thereof. Draft minutes are circulated to Board/ Committee members for their comments. The minutes are entered in the Minutes Book well within the stipulated time, after considering the comments of Board.

The guidelines for Board and Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Committees thereof. Important decisions taken at Board/ Committee meetings are communicated promptly to the concerned departments/officials. Action-taken report ('ATR') on decisions/ minutes of the previous meeting(s) is provided at the respective succeeding meeting of the Board/ Committee.

**3. Audit Committee****Composition**

As on 31st March, 2018, Audit Committee of the company comprises of three members, all are Non-Executive Independent Directors. The Chairman of the Committee is Mr. Nirdosh Bali and other members are Mr. Amarjit Singh and Mr. V.K. Mishra.

The members of the Audit Committee have adequate knowledge in the field of finance, accounting, management and law.

**Terms of Reference in brief**

The terms of reference of the Audit Committee are broadly as follows:

1. Oversight of the company's Financial reporting process and the disclosure of its Financial information to ensure that the Financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual Financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the Financial statements arising out of audit Findings.
  - e. Compliance with listing and other legal requirements relating to Financial statements.
  - f. Disclosure of any related party transactions.
  - g. Modified opinion(s) in the draft audit report.

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5. Reviewing, with the management, the quarterly Financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Reviewing the financial statements of subsidiary Companies, in particular, the investments made by subsidiary Companies.
18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. To review the functioning of the Whistle Blower mechanism;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the Finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**Meetings and Attendance**

During the year ended 31st March, 2018, Four Audit Committee Meetings were held.

Date of the Meetings
30-05-2017
12-08-2017
14-11-2017
14-02-2018

The attendance of members of the Audit Committee at these Meetings is as follows:

Sl. No.	Director	Category	Designation	No. of Meetings Attended
1.	Mr. Nirdosh Bali	Independent Non-Executive	Chairman	4
2.	Mr. Amarjit Singh	Independent Non-Executive	Member	4
3.	Mr. V.K. Mishra	Independent Non-Executive	Member	4

The Audit Committee invites Finance head to the meetings. The Audit Committee also invites such Executives as it considers appropriate to be present at its meetings. Finance Head/CFO and Company Secretary attended all the meetings.

The Statutory Auditors are invited to the meetings in which Quarterly/Annual Accounts are considered. The Internal Auditors are also invited to the meetings in which Internal Audit Reports are discussed. The Company Secretary acts as the Secretary of the Committee.

**4. Nomination and Remuneration Committee**

The role of the Nomination and Remuneration committee as set out in Part D of Schedule II of SEBI (LODR) Regulations, 2015.

Brief description of terms of reference include the following:

1. 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;
2. Formulation of criteria for evaluation of Independent Directors and the Board of Directors;
3. Devising a policy on diversity of Board of Directors;
4. 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.
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.



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**Composition**

The Nomination and Remuneration Committee comprises of three directors namely Mr. Nirdosh Bali (non-executive independent director) - as Chairman, Mr.Amarjit Singh (non-executive independent director) and Mrs.Vijay Laxmi (non-executive director) as members.

During the FY ended 31st March, 2018, one meetings was held on 12-08-2017.

The attendance of members of the Nomination and Remuneration Committee at the Meeting is as follows:

S. No.	Director	Category	Designation	No. of Meetings Attended
1.	Mr. Nirdosh Bali	Independent Non-Executive	Chairman	1
2.	Mr.Amarjit Singh	Independent Non-Executive	Member	1
3.	Mrs.Vijay Laxmi	Non-Executive Director	Member	1

Mr. Balbir Singh Uppal, the Chairman & Managing Director and Mr. Janak Raj Singh, Joint Managing Director were getting remuneration during FY 2017-18. Company is not paying remuneration to any other director.

No significant material transactions have been made with the Non-Executive Directors vis-à-vis the Company.

**Performance evaluation criteria for Independent Directors**

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Independent Directors which are as under:

- Frequency of meetings attended.
- Timeliness of circulating Agenda for meetings and descriptiveness.
- Quality, quantity and timeliness of flow of information to the Board.
- Promptness with which Minutes of the meetings are drawn and circulated.
- Opportunity to discuss matters of critical importance, before decisions are made.
- Familiarity with the objects, operations and other functions of the company.
- Importance given to Internal Audit Reports, Management responses and steps towards improvement.
- Avoidance of conflict of interest.
- Exercise of Fiscal oversight and monitoring Financial performance.
- Level of monitoring of Corporate Governance Regulations and compliance.
- Adherence to Code of Conduct and Business ethics by directors individually and collectively.
- Monitoring of Regulatory compliances and risk assessment.
- Review of Internal Control Systems.
- Performance of the Chairperson of the company including leadership qualities.
- Performance of the Whole time Director.
- Overall performance of the Board/ Committees.

The members of the Board jointly discuss, evaluate and identify the areas for improving the performance and effectiveness of the Board.

**5. Remuneration of Directors**

**Remuneration Policy**

Nomination and Remuneration ('NR') Committee has formulated a policy for Directors' Appointment and remuneration for Directors, Key Managerial Personnel (KMP) and other employees. They have also developed the criteria for determining qualifications, positive attributes and independence of a Director including making payments, if any, to Non-Executive Directors.

The objective of this Remuneration Policy is to provide guidelines for fixation of the remuneration of the Directors, KMP and Senior Management Personnel of the Company to attract and retain the best talent for the growth and development of Company.

NR Committee takes into consideration the best remuneration practices being followed in the industry while fixing appropriate remuneration packages and to administer and superintend the long-term incentive plans.

There was no pecuniary relationship or transaction between the Non-Executive Directors and the company during the financial year 2017-18.

**Remuneration of Non Executive Directors**

The remuneration of Non Executive Directors shall be finalised considering the following:

- They will be entitled to receive remuneration by way of sitting fees for attending meetings of the Board or its Committees at rates within the limits prescribed under the Companies Act, 2013 and rules made thereunder.
- Non Executive Directors do not participate in Board discussions which relate to their own remuneration.
- They receive reimbursement of reasonable expenses incurred in attending the Board, Committee and other adhoc meetings.

Remuneration is paid subject to deduction of Income Tax at source and payment of applicable Service Tax.

During the year under review, the Non-Executive Directors of the Company were paid sitting fees as under:

Rs. in Millions	
Name of the Director	Sitting Fee
Mr. Nirdosh Bali	-
Mrs. Vijay Laxmi	-
Mr. V.K. Mishra	0.31
Mr. Amarjit Singh	-

Mr. Amarjit Singh, Independent Director and Mrs. Vijay Laxmi, Non-executive Director, had opted not to receive sitting fee.

**Remuneration of Chairman, Managing Director, Whole Time Director**

- At the time of appointment or re-appointment, the Chairman, Managing Director and Whole Time Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination & Remuneration Committee and the Board of Directors) and the respective Director within the overall limits prescribed under the Companies Act, 2013 and rules made thereunder.
- The remuneration shall be subject to the approval of Members of the Company in General Meeting.

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- The remuneration of the above said directors may be divided into fixed and variable component.
- The fixed compensation shall comprise salary, allowances, perquisites, amenities and retiral benefits. The variable component, if any, shall comprise of individual and company performance bonus.
- In determining the remuneration, the Nomination & Remuneration Committee shall consider the following:
  - The relationship of remuneration and performance benchmarks is clear;
  - Balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
  - Responsibility required to be shouldered by the above said Directors and the industry benchmarks and the current trends;
  - The Company's performance vis-à-vis the annual budget achievement and individual performance vis- à-vis the KRAs / KPIs.

**Executive Directors are not entitled to sitting fees for attending meeting of directors.**

The Nomination and Remuneration Committee will consider the performance against measurable parameters and also have subjective assessment of individual while fixation / revisions of remuneration.

**Details of Remuneration paid to Executive Directors during the year ended 31st March, 2018**

Name of the Director	Salaries, Allowances & Perquisites (Rs.in million)	Commission, Bonus	Total Amount (Rs.in million)
Mr. Balbir Singh Uppal CMD	12	-	12
Mr. Janak Raj Singh JMD*	6	-	6

\* Joint Managing Director till 27-03-2018 and Director thereafter.

Salary/remuneration of working directors do not include performance incentive or any variable pay etc. The Company has not granted any Stock Options to its Directors or Employees.

**Remuneration of Key Management Personnel (KMP) /Senior Management Personnel (SMP):**

Key Managerial Personnel include Chief Financial Officer and Company Secretary appointed pursuant to the provisions of section 203 (1) of the Companies Act,2013 irrespective of the remuneration drawn by them.

Senior Management Personnel include the heads of Business Segments and functions to be specifically decided by the NRC, on the recommendation of the CMD.

In determining the remuneration of the KMP and SMP, the Nomination & Remuneration Committee shall consider the following:

- The role, changes in job scope, responsibility and complexity and the need to maintain market competitiveness. The committee may make additional payments linked to relocation;

- The relationship of remuneration and performance benchmark is clear;
- Balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
- The remuneration is divided into two components viz. fixed component of salaries, perquisites, amenities and retirement benefits and variable component of performance based incentive;
- The remuneration including annual increment and performance incentive is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals performance vis-à-vis KRAs / KPIs, industry benchmark and current compensation trends in the market;
- The payout of salary and variable incentive to KMP / SMP will be governed by the guidelines of the Company applicable to all employees.

CMD/JMD will review and assess the performance and increments as recommended by Business / Functional Heads based on the standard appraisal matrix, score card and other factors mentioned hereinabove before recommending to Nomination and Remuneration Committee for its approval.

The respective functional head or Business head will review the performance of his reportees and recommend his proposal to CMD/JMD. CMD/JMD will review the recommendation of Business / Functional Heads and make necessary moderations before finalizing the same. CMD/JMD will also carry out the individual performance review of all Senior

Management Personnel/Key Managerial Personnel drawing CTC of Rs. 30 Lacs and more based on the standard appraisal matrix and after taking into account the appraisal score card and other factors mentioned here in above, recommends the annual increment and performance incentive to the Nomination & Remuneration Committee for its review and approval.

The Nomination and Remuneration Committee retains the discretion to make appropriate remuneration decisions outside the Standard Policy to meet specific circumstances in both the above cases.

The above said policies are available at the link <http://lakshmienergy.com/Investor.html>

**Notes:**

1. No Director is related to any other director on the board of directors of the company except for Mr. Balbir Singh Uppal and Mr. Janak Raj Singh, who are father and son respectively.
2. The company does not have any scheme for grant of stock options to its directors or employees.
3. The appointment of Mr. Balbir Singh Uppal, Chairman and Managing Director is for a period of 3 years w.e.f. 1st September, 2017.
4. The appointment of Mr. Janak Raj Singh, Joint Managing Director was for a period of 3 years w.e.f. 27th March, 2015 and it ended on 27-03-2018. Mr. Janak Raj Singh has also resigned as Director w.e.f. 04-07-2018
5. No severance fee is payable to any Managing / Executive Director of the company.
6. Mr. Amarjit Singh and Mrs. Vijay Laxmi have opted not to receive sitting fees.

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**5. Stakeholders' Relationship Committee**

The Stakeholders' Relationship Committee is constituted and functions as per the guidelines set out in Securities & Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Companies Act, 2013.

This Committee looks into transfer/transmission/ demat/remat of shares, issue of duplicate/split/ consolidation of share certificates, notices and to attend shareholder's complaints on SCORES system of SEBI or otherwise etc. and to take requisite action(s) to redress the same.

The terms of reference of the Stakeholders Relationship Committee inter-alia includes the following:

- consider and resolve the grievances of shareholders and other security holders of the Company;
- the grievances includes complaints related to transfer of shares, non receipt of balance sheet and non-receipt of declared dividends.

**Composition & Terms of Reference**

As on 31st March, 2018, the composition of Stakeholders' Relationship Committee is as under:

Name	Category	Designation
Mr. Nirdosh Bali	Non Executive Director	Chairman
Mr. Amarjit Singh	Non Executive Director	Member
Mr.V.K. Mishra	Non Executive Director	Member

The Committee also oversees the working of Registrar & Transfer Agents of the Company. Company Secretary acts as the Secretary of the Committee. Mr. Ajay K. Ratra, Company Secretary of the Company, has been designated as the Compliance Officer.

**Meetings held during the year and the Attendance thereat:**

During the year, four stakeholders' relationship committee meetings were held on:

Date of the Meetings
30-05-2017
12-08-2017
14-11-2017
14-02-2018

The attendance of members of the stakeholders' relationship committee at these Meetings is as follows:

S. No.	Director	Category	Designation	No. of Meetings Attended
1.	Mr. Nirdosh Bali	Independent Non-Executive	Chairman	4
2.	Mr. Amarjit Singh	Independent Non-Executive	Member	4
3.	Mr.V.K.Mishra	Independent Non-Executive	Member	4

**Shareholders'/Investors' complaints**

Complaints pending as on 1st April, 2017	Nil
During the period from 1st April, 2017 to 31st March, 2018	2
Complaints disposed off during the year ended 31st March, 2018	2
Complaints unresolved to the satisfaction of shareholders as on 31st March, 2018	Nil

The Company had efficient system of dealing with investors' grievances. The Chairperson of the Company takes personal interest in all matters of concern for investors as and when necessary.

**6. Corporate Social Responsibility Committee:**

As on 31st March, 2018, Corporate Social Responsibility Committee consisted of the following directors:

1. Mr. Balbir Singh Uppal, CMD – Chairman
2. Mr. Nirdosh Bali, Independent director - Member
3. Mr.V.K.Mishra, Independent director - Member

During the year under review, two meetings of CSR committee were held.

Date of the Meetings
12-08-2017
14-02-2018



The attendance of members of the CSR committee at these Meetings is as follows:

S. No.	Director	Category	Designation	No. of Meetings Attended
1.	Mr. Balbir Singh Uppal	Promoter and Executive Director	Chairman	2
2.	Mr. Nirdosh Bali	Independent Non-Executive	Member	2
3.	Mr.V.K.Mishra	Independent Non-Executive	Member	2

The CSR policy is available at the link <http://lakshmigroup.in/Investor.html> of the website of the Company.

**Risk Management ('RM') Committee**

The Company has constituted a Risk Management Committee for effective risk assessment and minimisation procedures which are reviewed by the members periodically. The procedures comprise of an in-house exercise on Risk Management carried out periodically by the Company; including the functioning of a structure to identify and mitigate various risks faced by the Company from time to time.

The structure also comprises of risk identification and assessment by the concerned departments, identification of controls /mitigation process in place, updation of Risk registers by various departments, if required. The RM Committee deliberates extensively on the structure and identifies risks to ensure timely actions. These reports are consolidated and presented before the Board of the Company, whenever required.

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The terms of reference of the RM Committee inter-alia includes the following:

- Development of a formal Risk Management structure;
- Formation of an Executive Management Team, if deemed necessary and delegation of responsibility to it;
- Creation of a separate Risk Management function or department if deemed necessary;
- Defining of risk across the Organisation;
- Monitoring of material risks to which the Organisation is exposed and ensuring implementation of appropriate mitigation plan;
- Ensuring the sustainability of risk management framework and process through continuous reviewing mechanism; and
- Delegation of any of the aforesaid tasks as the RM Committee may deem fit.

As on March 31, 2018, the Committee had 2 (two) Non - Executive and Independent Directors as its members in accordance with the prescribed guidelines.

Mr. Nirdosh Bali is the Chairperson of the Committee and Mr. Amarjit Singh and Mr.V.K.Mishra are the members of the Committee. Company Secretary acts as the Secretary of the Committee. CFO and Internal Auditor are the permanent invitees of the Committee.

**Meetings and Attendance**

During the year ended 31st March, 2018, three Meetings were held.

Date of the Meetings
30-05-2017
12-08-2017
14-02-2018

The attendance of members of the RM Committee at these Meetings is as follows:

S. No.	Director	Category	No. of Meetings Attended
1.	Mr. Nirdosh Bali	Chairman	3
2.	Mr. Amarjit Singh	Member	3
3.	Mr.V.K.Mishra	Member	3

**7. Subsidiary Companies:**

The financials of the subsidiary companies i.e. M/s Punjab Greenfield Resources Ltd, Lakshmi Green Power Ltd. and Green Energy and Foods Pte. Ltd have been duly reviewed by the audit committee and the board of the company. Green Energy and Foods Pte. Ltd being not operational since long, it is being liquidated.

The company has also formulated a policy for determining the material subsidiaries and the details of such policies are disseminated in the website of the Company at web link: <http://lakshmigroup.in/Investor.html>.

**8. General Body Meetings**

- a) Location, date and time of general meetings held during the last three years and the special resolutions passed thereat are as under:

**Details of Annual General Meetings held**

Year	Date	Venue	Time	Special Resolutions passed
2016-17	23.09.2017	PHD Chamber of Commerce and Industry, PHD House, Sector 31A, Chandigarh	3.00 PM	To seek approval for the re-appointment of Mr. Balbir Singh Uppal (DIN 00064718) as Managing Director of the company
2015-16	28.09.2016	PHD Chamber of Commerce and Industry, PHD House, Sector 31A, Chandigarh	3.00 PM	Nil
2014-15	29.09.2015	PHD Chamber of Commerce and Industry, PHD House, Sector 31A, Chandigarh	3.00 PM	1) To seek approval for the re-appointment of Mr. Janak Raj Singh (DIN 00064804) as Joint Managing Director of the company
2012-14 (18 months period)	24.09.2014	PHD Chamber of Commerce and Industry, PHD House, Sector 31A, Chandigarh	11.00 AM	2) To approve amendment in existing Article 110 of the Articles of Association of the Company 3) To re-appoint Mr. Balbir Singh Uppal as Chairman and Managing Director of the company

**Details of Extraordinary General Meetings held**

Date	Venue	Time	Special Resolutions passed
27.04.2016	Admin Office & Works at Khamanon, Dist- Fatehgarh Sahib, Punjab	11.30 AM	1) Issue of convertible warrants on preferential basis
10.02.2016	Admin Office & Works at Khamanon, Dist- Fatehgarh Sahib, Punjab	11.30 AM	1) Issue of convertible warrants on preferential basis 2) Increase in the Borrowing powers of the Company

- b) **Postal ballot:** During the period ended 31st March, 2018, No resolution was through postal ballot. None of the resolutions proposed for the ensuing Annual General Meeting need to be passed by Postal Ballot. Resolution, if any, to be passed through Postal Ballot during the current financial year will be taken up as and when necessary.



Corporate Governance Report

9. Means of Communication

<b>Financial Results</b>	Pursuant to Securities & Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company has regularly furnished (within the prescribed time) the quarterly un-audited as well as annual audited results to the Stock exchanges where the shares of the company are listed. Quarterly and Annual financial results are also published in English and regional newspapers, i.e. Financial Express and Desh Sewak. However, publishing of audited financial results for the quarter/year ended 31-03-2018 were delayed due to unavoidable reasons.
<b>Website</b>	Company's website <a href="http://www.lakshmienergy.com">www.lakshmienergy.com</a> contains all the information (needed by shareholders) including Annual Reports, Shareholding Pattern, Corporate Governance Report, Financial results, official news releases, announcements and presentations, if any, made to Institutional Investors/analysts.
<b>Annual Report</b>	The Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis Report forms part of the Annual Report and is displayed on the Company's website ( <a href="http://www.lakshmienergy.com">www.lakshmienergy.com</a> ).
<b>NSE Electronic Application processing System (NEAPS) and BSE listing centre.</b>	All periodical compliance filings like shareholding pattern, financial results, corporate governance report, media releases, corporate announcements, among others are filed electronically on the websites developed and as per the advice of National Stock Exchange and Bombay Stock Exchange on the link <a href="https://www.connect2nse.com/LISTING">https://www.connect2nse.com/LISTING</a> and <a href="http://listing.bseindia.com">http://listing.bseindia.com</a> .
<b>E-mail IDs for Investors</b>	The Company has designated the following email-ids exclusively for investor servicing: Email ID of Company Secretary & Compliance Officer: <a href="mailto:cs@lakshmienergy.com">cs@lakshmienergy.com</a> Email ID of Registrar & Transfer Agent (Beetal Financial & Computer Services Pvt.Ltd): <a href="mailto:beetalrta@gmail.com">beetalrta@gmail.com</a>

10. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting Details

Day & Date	Saturday, 22nd December, 2018
Time	11.00 AM
Venue	Venue PHD Chamber of Commerce and Industry, PHD House, Sector 31A, Chandigarh-160031

Financial Year

1st April to 31st March.

Financial Calendar (2017-18)

Results for the quarter ending	Results were announced on
June 30, 2017	12th August, 2017
September 30, 2017	14th November, 2017
December 31, 2017	14th February, 2018
March 31, 2018	31st October, 2018

**Financial Calendar (2018-19)**

Results for the quarter ending	Tentative and subject to change
June 30, 2018	Tentatively in 2nd week 07 November, 2018
September 30, 2018	Second Week of November, 2018
December 31, 2018	Second Week of February, 2019
March 31, 2019	Second Week of May, 2019

**Book Closure**

The dates of book closure shall be Tuesday, 18th December, 2018 to Saturday, 22nd December, 2018 (both days inclusive).

**Dividend Payment**

Board of directors of the company did not recommend any dividend for the year ended 31st March, 2018.

**Listing on Stock Exchanges**

The equity shares of the company are presently listed on the following Stock Exchanges:

1. National Stock Exchange of India Limited;
2. BSE Limited;

The company has filed applications for listing of 36,60,000 equity shares of Rs.2/- each allotted on 14-11-2017; however, listing is pending on NSE and BSE.

**Listing Fees**

Listing fees has been paid to the stock exchanges, wherein the equity shares of the Company are listed (i.e. BSE & NSE).

**Depository Fees**

The company has also paid the Annuals Custody/Issuer fee to both the depositories namely, National Securities Depository Limited ('NSDL') and Central Depository Service (India) Limited ('CDSL').

**Stock Codes**

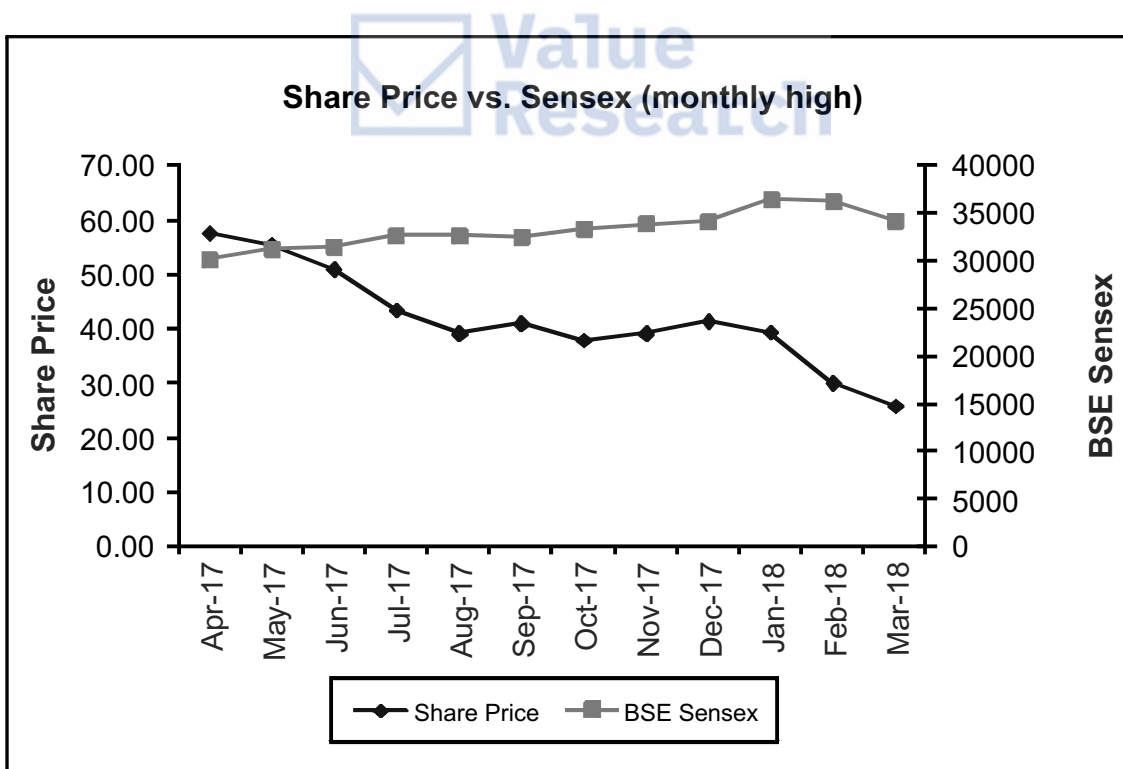
ISIN (for equity shares)	INE 992B01026
NSE SYMBOL	LAKSHMIEFL
BSE Stock Code	519570

Corporate Governance Report

Market Price Data and performance in comparison to BSE Sensex

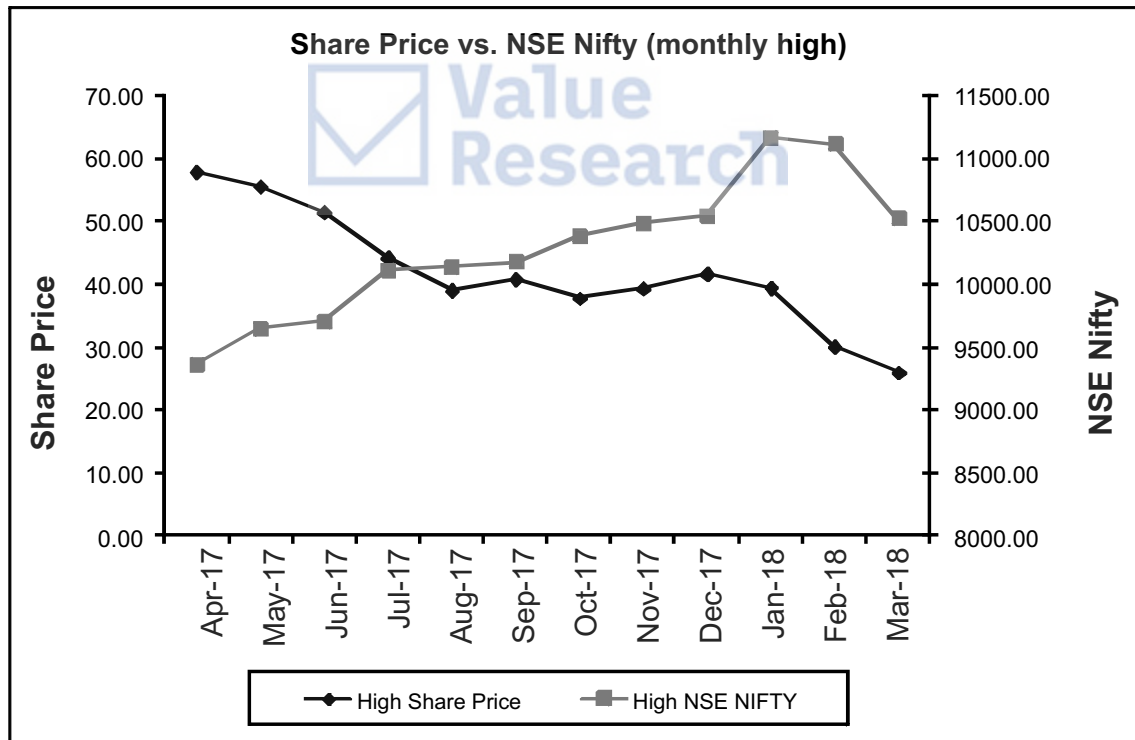
	Share Price at BSE			BSE SENSEX	
	High (Rs)	Low (Rs)	Volume (Nos.)	High	Low
Apr-17	57.65	46.70	2865678	30184.22	29241.48
May-17	55.60	43.45	1779267	31255.28	29804.12
Jun-17	51.00	37.00	1525122	31522.87	30680.66
Jul-17	43.50	37.10	834173	32672.66	31017.11
Aug-17	39.20	33.05	656175	32686.48	31128.02
Sep-17	41.00	30.40	1188037	32524.11	31081.83
Oct-17	38.00	27.20	1644883	33340.17	31440.48
Nov-17	39.20	28.75	2950934	33865.95	32683.59
Dec-17	41.50	29.40	2424178	34137.97	32565.16
Jan-18	39.45	26.70	1602907	36443.98	33703.37
Feb-18	30.10	24.20	571229	36256.83	33482.81
Mar-18	25.90	18.00	2504110	34278.63	32483.84

Company's Share Price Movement vis a vis BSE Sensex



Market Price Data and performance in comparison to NIFTY of NSE

Month	Share Price at NSE			NSE NIFTY	
	High (Rs.)	Low (Rs.)	Volume (Nos.)	High	Low
Apr-17	57.80	46.70	1,13,72,878	9367.15	9075.15
May-17	55.50	43.20	1,05,42,664	9649.60	9269.90
Jun-17	51.40	37.10	1,26,25,067	9709.30	9448.75
Jul-17	44.20	36.90	41,78,454	10114.85	9543.55
Aug-17	39.00	32.95	30,00,413	10137.85	9685.55
Sep-17	40.80	30.35	1,00,59,423	10178.95	9687.55
Oct-17	37.85	27.00	1,31,40,912	10384.50	9831.05
Nov-17	39.30	28.80	1,22,72,488	10490.45	10094.00
Dec-17	41.60	29.25	1,19,12,888	10552.40	10033.35
Jan-18	39.50	26.25	58,40,606	11171.55	10404.65
Feb-18	30.10	23.20	15,55,350	11117.35	10276.30
Mar-18	26.00	17.85	26,39,760	10525.50	9951.90



Corporate Governance Report

**Registrar & Share Transfer Agents**

The company had appointed M/s. Beetal Financial & Computer Services (P) Ltd. as its Registrar and Share Transfer Agent.

	<b>Beetal Financial &amp; Computer Services (P) Ltd</b>
Address	Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi 110 062
Telephone No.	011-2996 1281
Fax No.	011-2996 1284
E mail	beetalrta@gmail.com

**Share Transfer System**

M/s Beetal Financial & Computer Services Private Limited is Registrar & Transfer Agent for processing, transfers, sub-division, consolidation, splitting of shares and for rendering depository services such as dematerialization and rematerialisation of the company's Shares.

The share transfers, which are received in physical form, are approved (subject to the documents being valid and complete in all respects) within stipulated time period. Shares under objection are returned within two weeks time. Confirmation in respect of the requests for dematerialization of shares is sent to the respective depositories i.e. NSDL and CDSL expeditiously.

The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 and files a copy of the said certificate with Stock Exchanges.

**Distribution of Shareholding as on 31st March, 2018**

Share Holding of Nominal Value of (Rs.)	Number of Shareholders	% to Total	No of Shares	Amount in Rs.	% to Total
Up To 5000	20750	94.14	9053496	18106992.00	12.2959
5001 To 10000	690	3.13	2583829	5167658.00	3.5092
10001 To 20000	328	1.48	2451604	4903208.00	3.3296
20001 To 30000	102	0.46	1242981	2485962.00	1.6881
30001 To 40000	38	0.17	681714	1363428.00	0.9259
40001 To 50000	21	0.09	477426	954852.00	0.6484
50001 To 100000	49	0.22	1831115	3662230.00	2.4869
100001 And above	63	0.28	55307835	110615670.00	75.1159
<b>Total</b>	<b>22041</b>	<b>100.00</b>	<b>73630000</b>	<b>147260000.00</b>	<b>100.0000</b>

**Shareholding Pattern as on 31st March, 2018**

Sr. No.	Category	No. of shareholders/ Folios	No. of shares held	No. of shares dematerialised	Percentage (no. of shares held to total shares)
<b>A. Promoters</b>					
1	Indian	7	40617127	36957127	55.16%
2	Foreign	-	-	-	
<b>B. Public Shareholding</b>					
1	Financial Institutions/Banks	2	20852	20852	0.03%
2.	Insurance Companies	1	270983	270983	0.37%
3	Foreign Institutional Investors	1	1053016	1053016	1.43%
4	Bodies Corporate	301	8890417	8865917	12.07%
5	Resident Individuals	20782	19784932	18593091	26.88%
6	Clearing Members	16	289666	289666	0.39%
7	Non Resident Indians	349	802881	802881	1.09%
8	HUF	580	1371026	1370026	1.86%
9	IEPF	2	529100	529100	0.72%
	<b>Total</b>	<b>22041</b>	<b>73630000</b>	<b>68752659</b>	<b>100.00%</b>

**Transfer of Unclaimed Shares to Investor Education and Protection Fund**

Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016 (the 'Rules') notified by the Ministry of Corporate Affairs effective September 7, 2016, as amended, all shares in respect of which dividend has remained unclaimed by the shareholders for seven consecutive years or more are required to be transferred to the Investor Education and Protection Fund (IEPF).

During the year, notices were sent to the concerned shareholders whose shares were liable to be transferred to IEPF/ Suspense Account under the said Rules for taking appropriate action and full details of such shareholders and shares due for transfer to IEPF Authority/Suspense Account have also been uploaded on Company's website at link [http://lakshmigroup.in/downloads/IEPF\\_shares.pdf](http://lakshmigroup.in/downloads/IEPF_shares.pdf)

An option to claim from IEPF Authority, all unpaid/unclaimed dividends or other amounts and the unclaimed shares transferred to IEPF, is available to members. Members may make their claim by following the due procedure for refund as prescribed under the said rules. Details of refund process are also available on website of the Company at <http://iepf.gov.in/IEPFA/refund.html>

**Dematerialization of Shares and liquidity**

The company's shares are required to be compulsorily traded in dematerialized form and these shares are available for dematerialization on both the depositories i.e. National Securities Depository Limited ('NSDL') and Central Depository Service (India) Limited ('CDSL').

**Details of Demat Shares as on 31st March, 2018**

Particulars	Number of Shares	% of shares
NSDL	52986847	71.97%
CDSL	15765812	21.41%
Total Shares held in DEMAT form	68752659	93.38%
Shares held in Physical form	4877341	6.62%
<b>TOTAL (Demat + Physical)</b>	<b>73630000</b>	<b>100.00%</b>

## Corporate Governance Report

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### **Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity**

There are no outstanding GDRs/ADRs as on date.

### **Allotment of shares**

The company has allotted 36,60,000 equity shares of Rs.2/- on 14-11-2017 on conversion of 36,60,000 warrants of Series-2 to M/s Ganeshay Overseas Industries Limited (Promoters' Group entity).

Except the above matter, there has not been any change in capital structure. Authorised Capital of the Company is Rs.20,00,00,000 and paid up capital was Rs.14,72,60,000/- as on 31-03-2018 and as on date of this report.

### **Commodity price risk /foreign exchange risk and hedging activities**

The Company is exposed to commodity price risk/foreign exchange risks. The Company continuously evaluates risks exposers and takes required actions from time to time to minimize the impact of fluctuations.

### **Compliance Certificate of the Auditors**

Certificate from the Company's Auditors confirming compliance with conditions of Corporate Governance as stipulated under Securities & Exchange Board of India (Listing obligations and disclosure requirement) Regulations, 2015 is attached to this Report.

### **Plant Location**

Paddy/food grains processing plant and husk based Power plant located at  
VPO Khamanon, Ludhiana-Chandigarh Highway,  
Khamanon, District Fatehgarh Sahib,  
Punjab- 141801, India.  
Tel : 01628-661800 Fax : 01628-661805



### **Company's Registered Office**

S.C.O. 18-19, 1st Floor, Sector 9-D,  
Madhya Marg, Chandigarh-160017, India  
Tel : 0172-2740352 Fax : 0172-2743057  
Email: corporate@lakshmigroup.in  
Website: www.lakshmigroup.in

### **Investors' Correspondence may be addressed to**

Company Secretary and Compliance Officer  
Lakshmi Energy and Foods Limited  
S.C.O. 18-19, 1st Floor, Sector 9-D,  
Madhya Marg, Chandigarh-160017, India  
Tel : 0172-2740352 Fax : 0172-2743057  
Email: cs@lakshmigroup.in

or

M/s. Beetal Financial & Computer Services (P) Ltd.( Registrar and Transfer Agent)  
Beetal House, 3rd Floor,  
99, Madangir, Behind Local Shopping Centre,  
Near Dada Harsukhdas Mandir,  
New Delhi 110 062  
Tel: 011-29961281  
Fax: 011-29961284  
Email: beetalrta@gmail.com

**Queries relating to the Financial Statements may be addressed to**

CFO

Lakshmi Energy and Foods Limited  
S.C.O. 18-19, 1st Floor, Sector 9-D,  
Madhya Marg, Chandigarh-160017, India  
Email: corporate@lakshmienergy.com

**Queries/complaints/suggestions relating to products/services/dealers etc. only be addressed to:**

Customer Care Cell  
Lakshmi Energy and Foods Limited  
Chandigarh-Ludhiana National Highway,  
Khamanon-141801, Punjab, India  
Tel: 01628-661800  
Email: customercare@lakshmienergy.com

**II. Disclosures**

- a) All related party transactions pursuant to Section 188(1) of the Act that were entered into during the Financial Year were on an arm's length basis and in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which might have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee only for its approval as they are not required to be placed before the Board. However Related Party Transactions pursuant to Ind AS-24 are disclosed to the Board.

The Policy on dealing with Related Party Transactions as approved by the Board is posted on the Company Website at the following web link: <http://lakshmienergy.com/Investor.html>.

- b) The financial statements have been prepared in accordance with Ind-AS notified under the Companies (Indian Accounting Standards) Rules, 2015. The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India in the preparation of financial statements and the Company has not adopted a treatment different from that prescribed in the Accounting Standards or revised relevant schedule of the Companies Act, 2013 read with rules made there under.
- c) There is no non-compliance by the company during the year ended 31st March 2018. No penalties, strictures were imposed on the company by any stock exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
- d) The company has adopted a Vigil Mechanism/Whistle Blower Policy, the details of which are available on the company's website at the

following link: [http://lakshmienergy.com/downloads/VIGIL\\_MECHANISM.pdf](http://lakshmienergy.com/downloads/VIGIL_MECHANISM.pdf).

We also confirm that no personnel has been denied access to the audit committee.

- e) During the year, the Company is fully compliant with the applicable mandatory requirements under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- f) The Company has duly fulfilled the following discretionary requirements as prescribed in Schedule II Part E of the Listing Regulations:
- The Auditors' Report on statutory Financial Statement of the Company is unmodified.



**Corporate Governance Report**

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- g) The company has also formulated a policy for determining the material subsidiaries and the details of such policies are disseminated in the website of the Company at web link: <http://lakshmienergy.in/Investor.html>
- h) The Policy on dealing with Related Party Transactions as approved by the Board is posted on the Company Website at the following web link: <http://lakshmienergy.in/Investor.html>
- i) During the Financial year ended 31st March, 2018 the company did not engage in commodity hedging activities.
- j) There has been no instance of non-compliance of any requirement of Corporate Governance Report during the year.
- k) The company has established a comprehensive and appropriate risk assessment and management policy and minimization procedures and the same is periodically reviewed by the board of directors of the company.
- l) Chairman and Managing Director (CMD) and Chief Financial Officer (CFO) have certified to the Board in accordance with Securities & Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 pertaining to CEO/CFO certification for the financial year ended 31st March, 2018.
- m) There are no disclosures with respect to demat suspense account/ unclaimed suspense account.
- n) In compliance with the SEBI regulation on prevention of insider trading, the Company had instituted a comprehensive Code of Conduct for regulating, monitoring and reporting of trading by Insiders. The said Code lays down guidelines which advise them on procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioned them on consequences of non-compliances.

Further the Company has put in place a Code of practices and procedures of fair disclosures of unpublished price sensitive information. Both the aforesaid Codes are in lines with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

**For and on Behalf of the Board**

**Sd/-**

**Balbir Singh Uppal**

**Chairman and Managing Director**

**DIN: 00064718**

**Place: Khamanon**

**Date: 31-10-2018**

**Declaration by the CMD under SEBI (LODR) Regulations, 2015 regarding adherence to the Code of Conduct**

In accordance with regulation 34(3) of Securities & Exchange Board of India (Listing obligations and disclosure requirement) regulations, 2015, I hereby confirm that, all Directors and the Senior Management personnel of the Company have affirmed compliance to the company's Code of Conduct, for the financial year ended 31st March, 2018.

**Sd/-**

**Balbir Singh Uppal**

**Chairman & Managing Director**

**DIN: 00064718**