

Dear Members,

Your Directors have pleasure in presenting the 48th Annual Report together with Audited Accounts of the Company for the financial year ended on March 31, 2017.

FINANCIAL RESULTS AND APPROPRIATIONS

The financial performance of the Company for the financial year ended on March 31, 2017 is summarized as below:

PARTICULARS	₹ IN LACS	
	2016-2017	2015-2016
Revenue from operations	25869.20	30991.72
Gross Profit before interest, depreciation and tax	1671.91	4615.32
Less: Interest	4056.14	3799.55
Profit/(Loss) before depreciation and tax	(2384.23)	815.77
Less: Depreciation	1712.78	1522.51
Profit /(Loss) before tax	(4097.01)	(706.74)
Less: Provision for tax	0.00	250.00
Net Profit/(Loss) for the year after tax	(4097.01)	(956.74)
Add: Balance brought forward from previous year	1841.94	2816.74
Amount available for appropriation	(2255.07)	1841.94
Appropriations		
Transfer to General Reserve	0.00	0.00
Proposed Dividend	0.00	0.00
Corporate Dividend Tax	0.00	0.00
Balance carried over to Balance Sheet	(2255.07)	1841.94

OPERATIONS

During the financial year 2016-17; your Company has earned revenue from operations Rs.25869 lacs (Previous year Rs.30991 lacs) and net loss of the Company was Rs.4097 lacs.

Supply of fasteners to replacement and original equipment segments, wherein your Company holds a key position; continue to be the area of focus of your Company. In order to meet the increased demand, your Company has sufficient installed capacity. Your Company continue to follow its philosophy to provide the high quality products at the lowest cost, coupled with excellent customer services. The market is witnessing fierce competition. All efforts were made under Total Quality Management, Total Productivity Management and Six Sigma Umbrella to continuously improve the cost, quality, delivery and competitiveness. Your Company's products are well accepted in the market and will see the growth in the financial year 2017 -18.

DIVIDEND AND RESERVES

Your Directors regretted their inability to recommend any dividend to the members of the Company for the financial year ended on March 31, 2017.

No amount is proposed to be transferred to the General Reserves of the Company during the financial year 2016-17.

CHANGE IN THE NATURE OF THE BUSINESS

There was no change in the nature of the business of the Company during the year. The Company has only one subsidiary, namely Indian Fasteners Limited (IFL) and there was no change in the nature of the business of this Subsidiary. There were no significant and material orders passed by regulators or court or tribunals impacting the going concern status and Company's operation in future. There were no material changes and commitments affecting the financial position of the Company occurring between March 31, 2017 and the date of this report.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return for the financial year 2016-17 as prescribed in the **Form MGT-9** is given in the **Annexure – 1** forming part of this Report.

SUBSIDIARY COMPANY

As required, under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, a consolidated financial statements presented by the Company in this report include the financial results of the subsidiary company duly audited by the statutory auditors. The said statement has been prepared pursuant to Section 129(3) read with Rule 5 of Companies (Accounts) Rules, 2014 and in accordance with the relevant accounting standards as prescribed under the Companies Act, 2013. The statement in **Form AOC-1** is annexed with this report as **Annexure – 2**.

In terms of provisions of Section 136 of the Companies Act, 2013, the Company shall place separate audited accounts of the subsidiary companies on its website at www.lpsindia.com. The Company will make available

physical copies of these documents upon request by any Members of the Company.

These documents shall also be available for inspection at the registered office of the Company during business hours upto the date of ensuing Annual General Meeting.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013

All the related party transactions which were repetitive in nature, entered on arm's length basis in the ordinary course of business and compliance with Section 188 (1) of the Companies Act 2013 read with rules made there under, Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions of the Law. The Company has also sold land to Universal Precision Screw, where Directors of your company are partners, which was non-repetitive nature related party transaction in compliance with provisions of the Law. All Related party transactions were presented to the Audit Committee and the Board for approval.

Omnibus approval was obtained for all the related party transactions, which were repetitive. The Related Party Transactions Policy as approved by the Board, was uploaded on the Company's website pursuant to Regulation 46 of the SEBI (LODR) Regulations, 2015 at the web link: <http://www.lpsindia.com>. The information relating to particulars of contracts or arrangements with related party prepared under Section 188(1) of the Companies Act, 2013 read with Rule 8(2) of Companies (Accounts) Rule, 2014 is annexed with this Report in **Form AOC-2** as **Annexure – 3**.

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 125 of the Companies Act, 2013, the unclaimed dividend relating to the financial year 2009-10 is due for remittance on 29.09.2017 to the Investor Education and Protection Fund established by the Central Government.

DETAILS OF DEPOSIT AS PROVIDED UNDER CHAPTER V OF THE COMPANIES ACT, 2013

(a) Accepted during the year

Your Company has not accepted any deposits, during the year, within the meaning of Section 2(31), read with Section 73 of the Companies Act, 2013 and as such, no amount of principal or interest was outstanding as on the date of the Balance Sheet. However, the Company has outstanding deposits of Rs.7 crores at the time of commencement of new Companies Act i.e. 01.04.2014. The Company had filed petition before the Hon'ble Company Law Board (CLB) for extension of the repayment of period of deposits beyond 31.03.2015. Consequent to the petition filed with CLB for extension of deposits period beyond 31.03.2015, the Hon'ble CLB at the hearing take place on 30.06.2015 have passed order for extension of period of deposit as per the original repayment schedule for which the deposits were raised. However, the terms and conditions of the extension was not complied. On a petition filed by the Depositors before the Hon'ble Company law Board, the CLB passed another order dated 18.04.2016 for further extension of time for repayments of deposits, based upon settlement deed dated 12.02.2016 between the Company and Depositors, which the company again failed to comply with.

The outstanding balance of deposits in violation of Section 76 of the Companies Act, 2013 as on 31.03.2017 amounts to Rs. 4,80,55,000/-.

(b) Remaining unpaid or unclaimed as at the end of the year: None

(c) Whether there has been any default in repayment of deposits or payment of interest thereon during the year: Yes, however the same was regularized between parties through Settlement Deed dated February 12, 2016 and which was approved by CLB vide order dated 18/04/2016, which the company again failed to comply with.

(d) Details of deposit which are not in compliance with the requirement of Chapter V of the Act: The Company has taken advances from customers amounting to Rs.2,21,50,242/- having balance outstanding for more than 365 days. In terms of Rule 2(1)(xii)(a) such advances are liable to be treated as deposits read together with section 73 of the Companies Act, 2013 and hence the Company is in violation of the same.

The outstanding balance of deposits in violation of Section 76 of the Companies Act, 2013 as on 31.03.2017

amounts to Rs. 4,80,55,000/-. This matter is under litigation in Punjab & Haryana High Court.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGISTRARS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE – NONE

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

A strong internal control culture is prevalent in the Company. A formalized system of internal controls facilitates effective compliance with Section 134 (5) (e) of the Companies Act, 2013 read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015. The Internal Auditor monitors the compliance with the objective of providing to the Audit Committee and the Board of Directors an independent and reasonable assurance on the adequacy and effectiveness of the organization's governance processes.

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Section 129(3) and all other applicable provisions, if any, of the Companies Act, 2013 and in accordance with the Accounting Standards, AS 21, AS 23 and AS 27, issued by "The Institute of Chartered Accountants of India", the Company has also included as part of this Annual Report, the Audited Consolidated Financial Statements of its subsidiary Company Indian Fasteners Limited, its associate companies J.C. Fasteners Limited, Hanumat Wire Udyog Private Limited and Lakshmi Extrusion Limited for the financial year 2016-17.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

I. Retirement by rotation

In accordance with the Articles of Association of the Company and relevant provisions of the Companies Act, 2013, Mr. Dinesh Kumar Jain (DIN: 00066363)

and Smt. Sushila Devi Jain (DIN:00150952) are liable to retire by rotation at the ensuing 48th Annual General Meeting and being eligible, offer themselves for re-appointment. The Board recommends their re-appointment.

II. Appointment

During the year, the following Independent Directors were appointed as Additional (Independent) Directors by the Board in the category of the Independent Directors to comply with the requirement of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:-

1. Dr. Sushant Umre (DIN: 01240077) with effect from 28.05.2016.
2. Mr. Indradip Banerjee (DIN: 02232916) with effect from 28.05.2016.
3. Mr. Ravi Shankar Sharma (DIN: 07564995) with effect from 05.11.2016.
4. Mr. Bijendra Singh (DIN: 00099116) with effect from 05.11.2016.
5. Mr. Madhav Roy (DIN: 05018263) with effect from 05.11.2016.
6. Mr. Kailash Sarup Bhatnagar (DIN: 07652637) with effect from 14.11.2016.
7. Mr. Saumitra Choudhury (DIN: 07671014) with effect from 30.12.2016.

Further, the above said Additional (independent) Directors from Sr. No.3 to 7 were appointed as Independent Directors by the Members in their Extra-Ordinary General Meeting held on 14.04.2017.

III. Cessation

During the year, the following Independent Directors were resigned:-

1. Mr. Rakesh Puri (DIN: 07068559) with effect from 29.06.2016.
2. Dr. Sushant Umre (DIN: 01240077) with effect from 29.06.2016.
3. Mr. Indradip Banerjee (DIN: 02232916) with effect from 30.06.2016.
4. Mr. Bhuwan Kumar Chaturvedi (DIN: 07068559) with effect from 31.08.2016.
5. Mr. Ramesh Chandra Jain (DIN: 07068559) with effect from 07.09.2016.

The Board placed on record its appreciation for the valuable services rendered by the above said Directors.

Iv. Key Managerial Personnel (KMP)

Mr. Lalit Kumar Jain, Chairman & Managing Director, Mr. Dinesh Kumar Jain, Vice Chairman & Managing Director, Mr. Vijay Kumar Jain, Joint Managing Director, Mr. Santosh Kumar Sharma, Company Secretary and Mr. Kanai Lal Ghorui, Chief Financial Officer are working/ appointed as KMP.

None of the Directors of the Company is disqualified under Section 164(2) of the Companies Act, 2013.

CREDIT RATING

The Company has been assigned credit rating as 'B+ Stable and downgraded' by Brickwork Ratings India Private Limited on the basis of financial statements for the financial year 2015-16.

COMPANIES WHICH BECAME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES :

M/s. LPS Bossard Information Systems Private Limited, Joint venture of the Company is under liquidation, the payment of Rs. 21,60,823 was received from Liquidator of the Company on April 16, 2016 towards disposal of entire investment of 49% due to operation of law and the Final Report in Form no. 156 was submitted to the Hon'ble Delhi High Court by the Liquidator of the Company.

AUDITORS AND THEIR REPORT

M/s. B.M. Chatrath & Co. LLP, LLPIN: AAJ-0682 (formerly known M/s. B.M. Chatrath & Co. FRN301011E), Chartered Accountants, Noida; were appointed as Statutory Auditors of the Company by the members in their Extra- Ordinary General Meeting held 14.04.2017 to fill the casual vacancy in the office of Auditors until the conclusion of the ensuing 48th Annual General Meeting. The said appointment of Statutory Auditors in casual vacancy arose due to resignation of M/s. V.R. Bansal, Chartered Accountants.

The appointment of Statutory Auditors for fresh term of 5 years was recommended by the Audit Committee and the Board of Directors respectively in their meeting held on June 20, 2017 subject to the approval of the Members in the ensuing 48th Annual General Meeting to be held on 29.09.2017 until the conclusion of 53rd

Annual General Meeting. The said appointment of the Company's statutory auditors needs to be ratified at the every ensuing Annual General Meeting till their tenure of appointment subject to being eligible offers themselves for reappointment. The Company has received a certificate from the auditors to the effect that their re-appointment if made, would be in accordance with the provisions of Section 141 of the Companies Act, 2013 and who has subjected itself to the peer review process of Institute of Chartered Accountants of India (ICAI) and holds a valid certificate issued by the Peer Review Board of the ICAI.

Auditor's report and Impact on Auditors Report along with Management estimate/response on impact on the comments/qualification by the Statutory Auditor are annexed to this report immediately after Statutory Auditors Report.

COST AUDITOR'S AND THEIR REPORT

M/s. HMVN & Associates the Company's Cost Auditors were appointed for the year 2017-18 and the Company has received certificate from the Cost Auditors to the effect that their appointment is in accordance with the provisions of Section 141 of the Companies Act, 2013.

The Company has given necessary intimation to Central Government for the approval of such appointment in Form CRA-2 in terms of the applicable provisions of the Companies Act, 2013 and rules made there under.

In terms of the requirements of General Circular No.15/2011, dated 11th April, 2011 issued by the Ministry of Corporate Affairs, Government of India, following are the brief particulars w.r.t. Cost Auditors & Cost Audit Reports:

FINANCIAL YEAR	NAME OF THE COST AUDITOR	DUE DATE OF FILING THE COST AUDIT REPORT	ACTUAL DATE OF FILING THE COST AUDIT REPORT
2012-13	M/s .HMVN & Associates	27.09.2013	26.09.2013
2013-14		27.09.2014	09.09.2014
2014-15		27.09.2015	22.09.2015
2015-16		27.09.2016	23.02.2017
2016-17		27.09.2017	Under process

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(6) AND 149(7)

The Independent directors have submitted their Annual disclosure under the provisions Section 149(6) and 149(7) of the Companies Act, 2013 as well as Regulation 16 of SEBI (LODR) Regulations, 2015 to the Board of Directors in their meeting held on May 30, 2017, that they fulfil all the requirements as to quality for their appointment as an Independent Director

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS AS PROVIDED UNDER SECTION 178(3) OF THE COMPANIES ACT, 2013 AND REGULATION 19 (4) READ WITH PART D OF THE SEBI (LODR) REGULATIONS, 2015 (ERSTWHILE CLAUSE 49B (5) OF THE LISTING AGREEMENT).

The Company has formulated a Nomination and Remuneration Policy pursuant to as per **Annexure – 4**. The same is uploaded on the Company's website pursuant to Regulation 46 of the SEBI (LODR) Regulations, 2015 at the web link: <http://lpsindia.com/remuneration-policy.pdf>. Details are provided in Corporate Governance Report.

SECRETARIAL AUDIT AND APPOINTMENT OF THE SECRETARIAL AUDITOR'S

The Company has appointed M/s. RMG & Associates, Company Secretaries to hold the office of the Secretarial Auditors and to conduct the Secretarial Audit for the financial year 2016-17. The Secretarial Audit Report in this regard is being attached as Annexure – 5 to this Report and Management reply on the comments/ observations by the Secretarial Auditor are annexed to this report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 – NONE

STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION THEREIN OF ELEMENTS OF RISK, IF ANY, WHICH IN THE OPINION OF THE BOARD MAY THREATEN THE EXISTENCE OF THE COMPANY

1. In line with the regulatory requirements, the Company has formally framed a Risk Management Policy to identify and assess the key risk areas and monitor the same. The Board periodically reviews the risks and suggests steps to be taken to control the risks.
2. Vigil Mechanism
A fair and transparent work culture has been core to the Company. To meet this objective, the Company had laid down the Vigil Mechanism Policy, which was approved by the Audit Committee and Board on 29.05.2014. The policy has been posted at the Company's website at <http://lpsindia.com/vigil-mechanism.pdf>

INSURANCE AND RISK MANAGEMENT

During the Financial Year 2016-17, the assets of the Company were adequately insured against the loss of fire and earthquake. In addition to this coverage, a statutory public liability insurance policy has been taken to cover by Company for providing against the public liability arising out of industrial accident for employees working in plants. The provision of Risk Management under Regulation 21 of the SEBI (LODR) Regulations, 2015 is not applicable on the Company; however the Company has constituted Risk Management Committee of the Board. Presently, the Audit Committee of the Company in its meetings regularly reviewing the various Risk and advising the Management of the Company for taking necessary steps for mitigating the Risk.

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTIONS AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, research & development, technology absorption and foreign exchange earnings and outgo pursuant to

Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014 is given as per **Annexure – 6** and forms part of the Board's Report.

STATEMENT OF FORMAL ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE AND OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

In compliance with the Companies Act, 2013 and Regulation 17 (10) of the SEBI (LODR) Regulations, 2015, during the year, Nomination and Remuneration Committee laid down the evaluation criteria for performance evaluation of all the directors in consonance with Board Evaluation Policy of the Company, which is available at weblink of <http://lpsindia.com/Board-Evaluation-Policy.pdf>.

The evaluation of Independent Directors was carried out by the entire Board and that of the Chairman and non-independent Directors, by the independent Directors.

This exercise was carried out through structured evaluation process covering various aspects of the Board such as composition of the Board/ Committees, experience, competencies, performance of specific duties etc. Separate exercise was carried out to evaluate the performance of individual directors, including the Chairman who were evaluated on the parameters such as attendance, contribution at the meeting, independent judgment etc. and was found to be satisfactory.

HEALTH, SAFETY AND ENVIRONMENTAL PROTECTION

Your Company has complied with all the applicable environmental laws and labour laws.

QUALITY MANAGEMENT SYSTEM

- a) Company has been continuing its efforts towards ongoing implementation and stabilization of TQM practices through total employee involvement.
- b) Company has retained the accreditation of its Quality Health and Safety Management Systems in line with ISO 9001:2008, TS 16949:2009, ISO 14001:2004 and OHSAS 18001:2007.
- c) Company has also retained the accreditation of its quality systems for Aviation Industries requirements in line with AS 9100C, NADCAP for Heat treatment facility and NABL certification for the Laboratory and Standards Room.

Benefits derived as a result from the above efforts are continuous improvement in productivity, quality, delivery and cost.

CUSTOMER FOCUSED APPROACH

Company is open in receiving customer view points and welcomes them to visit the premises. A number of esteemed OEM customers visited the Company site to see our process and system. They appreciated Company's efforts in maintaining and continuously upgrading the process and systems.

EMPLOYEES' STOCK OPTION PLAN

Your Company had not provided any employee stock option.

DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a **Prevention of Sexual Harassment of Women at Workplace** Policy in line with the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Composition of LPS's Internal Complaint Committee (ICC):

1. Ms. Sandhya - Presiding officer
2. Ms. Pallavi Jain.-Member
3. Mr. Parvesh Kadian - Independent Member
4. Mr. Ajit Kumar- Member

ICC's Report on the complaints as on December 31, 2016:

- a) Number of complaint received during year : NIL
- b) Number of complaint disposed off : NIL
- c) Number of cases pending for more than 90 days: NIL
- d) Number of workshop or training programme organized against sexual harassment : NIL
- e) Nature of action taken, if any, by the Company : NOT APPLICABLE

DISCLOSURE AS REQUIRED UNDER SUB RULE 2 OF RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

In accordance with the Companies Act, 2013 read and Rules made there under, the names of top ten employees in terms of remuneration drawn and the particulars of employees who are drawing remuneration in excess of the limits of Rs. 1.02 crores p.a. or Rs. 8.50 lakhs p.m. are given in the **Annexure – 7** forming part of this Report.

LISTING AND CONFIRMATION OF FEE

The securities of your Company are listed at The Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE). **The Annual Listing fees for the year 2017-18 have not been paid to the Stock Exchanges till date. The Company has not paid the annual custody fee for the year 2017-18** to the depository namely Central Depository Services (India) Limited (CDSL). The Shares of the Company are compulsorily tradable in dematerialized form.

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, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- b. Appropriate accounting policies have been selected and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit/ (loss) of the Company for the year under review;
- c. Proper and sufficient care for the maintenance of adequate accounting records for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- d. The Annual Accounts on a 'going concern' basis; and
- e. Internal financial controls to be followed by the Company and that such internal finance controls are adequate and were operating effectively.
"Internal financial controls" means the policies and procedures adopted by the Company 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;
- f. Proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DETAILS OF FRAUD, IF ANY, REPORTED BY THE AUDITORS

No instances of fraud was reported by the Statutory Auditors of the Company, under Section 143 (12) during the financial year 2016-17.

NUMBER OF MEETINGS OF THE BOARD

It is stated in and forms part of Corporate Governance Report in **Annexure - 8**.

CORPORATE SOCIAL RESPONSIBILITY

The Company has vide resolution dated 29.05.2014 constituted a Corporate Social Responsibility Committee of the Board. As the net worth, turnover and (loss) of the Company as on March 31, 2014 were Rs.74.81 Crores, Rs.348.94 Crores and Rs.28.62 Crores respectively i.e. below the prescribed limits. However, considering the profit of the last financial years the net profit of the Company was Rs.7.37 crores in the financial year 2011-12 i.e. exceeding the limit of Rs.5 crores. Though the Company has constituted the Committee but the spending of CSR activity is not applicable as there was loss in the financial year 2016-17. And there is loss on the basis of average net profit/ loss of the Company for last three financial years. The Company does not required to spent any money during current year. The Company has framed a CSR policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website i.e. www.lpsindia.com. The CSR committee confirms that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

The Corporate Social Responsibility (CSR) Committee was reconstituted on 05.11.2016 which comprises of one Executive Director and two Non-Executive Independent Directors. Mr. Lalit Kumar Jain is the Chairman of the Committee, the other members are Mr. Madhav Roy and Mr. Bijendra Singh.

RIGHT OF MEMBER TO COPIES OF AUDITED FINANCIAL STATEMENT

Having regard to the provisions of the first proviso to Section 136(1) of the Act, the annual report is being sent to the members of the Company. The said information is available at the website of the Company and is available for inspection at the registered office of the Company during working hours and any member interested in obtaining such information may write to be Company Secretary and the same will be furnished on request.

DISCLOSURES RELATED TO REMUNERATION OF DIRECTORS AND KMPS

a. Ratio of Remuneration of each Director to median remuneration of employees

- Ratio of remuneration of Mr. Lalit Kumar Jain to median remuneration of employees during the Financial Year 2016-17 was 28.12:1.
- Ratio of remuneration of Mr. Vijay Kumar Jain to median remuneration of employees during the Financial Year 2016-17 was 26.89:1.

Note: (Mr. Dinesh Kumar Jain, Vice Chairman & Managing Director had forgone his salary during the year 2016-17, therefore no median of remuneration to employees was calculated.)

b. Percentage increase in remuneration of each Director and KMP

S. NO.	NAME & DESIGNATION	% INCREASE IN REMUNERATION IN FINANCIAL YEAR 2016-17
01.	Mr. Lalit Kumar Jain, CMD	NIL
02.	Mr. Dinesh Kumar Jain, VCMD	NIL
03.	Mr. Vijay Kumar Jain, JMD	NIL
04.	Mr. Santosh Kumar Sharma, Company Secretary	NIL
05.	Mr. Kanai Lal Ghorui, CFO	NIL

c. Percentage increase in the median remuneration of employees

No increment was made during the year 2016-17 therefore, the percentage increase in the median remuneration of employees in the Financial Year 2016-17 is not applicable.

d. No. of employees of the Company

As on 31st March, 2017, your Company had 954 permanent employees on the rolls of the Company. The same does not include contractual employees.

e. Average percentage increase already made in the salaries of employee of other than the managerial personnel in the Financial Year 2016-17 and justification thereof and exceptional circumstances for increase in the managerial remuneration, if any

PARTICULARS	FINANCIAL YEAR 2016-17	COMMENTS
Average percentage increase in the salaries of employee other than Managerial Personnel	No increment was made.	-
Average percentage Increase in salary of Managerial Personnel	NIL	No increase was given to any managerial personnel during Financial Year 2016-17.

f. Policy compliance affirmation

The remuneration to Directors and KMP is as per the remuneration policy of the Company.

HUMAN RESOURCE DEVELOPMENT

Your Company's Human Resource Management focus continues to be in making available a talent pool, for meeting challenges in the competitive market place, which is increasingly becoming tougher. Development plans have been drawn up for key managers to shoulder higher responsibilities as well as to increase their job effectiveness. Your Company always encourages young personnel with their ideas and views. Management is easily accessible to the employees and their problems are attended to promptly. The employer – employee relations remained cordial at all the plants of the Company and peaceful throughout the year.

SECRETARIAL STANDARD

The Company has complied with the Secretarial Standard issued by the Institute of Companies Secretaries of India which were made applicable with effect from 01.07.2015.

CORPORATE GOVERNANCE

Your Company is committed to good Corporate Governance Practices following to the guidelines prescribed by the SEBI and Stock Exchanges from time to time. The Company has implemented all of its stipulations as applicable to the Company. **The Report on Corporate Governance** stipulated under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Annexed as **Annexure – 8** and forming part of the Board's Report.

The requisite Certificate from the Practising Company Secretary of the Company confirming compliance with the conditions of Corporate Governance as stipulated under Regulation 34 read with Clause E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached in this annual report and forming part of this Annual Report.

ACKNOWLEDGEMENTS

Your Directors place on record their appreciation for the overwhelming co-operation and assistance received from the Company's esteemed Shareholders, valued Customers, Suppliers, Business Associates, Bankers, Vendors, various Financial Institutions, the State and Central Government Bodies, Auditors and Legal Advisors for their valuable contribution and continued support and to all the persons who reposed faith and trust in Company.

Your Directors also place on record their appreciation for the committed services rendered by all employees and our colleagues at all levels, without whose wholehearted efforts, the overall performance of the Company would not have been possible. Your Directors also appreciate and value the contribution made by every member of the LPS family across the world.

Your support as shareholders is greatly valued.

Your Directors thank you and look forward to the future with confidence.

For and on behalf of the Board of Directors

SD/-
LALIT KUMAR JAIN
Chairman & Managing Director
DIN: 00061293

PLACE: ROHTAK
DATED: JUNE 20, 2017