

**Lakshmi Precision Screws Ltd.**

Plant II, Opp. Northern Bye-Pass, Hissar Road,
Rohtak-124001, Haryana (India)
Tel. : +91-1262-248288-89 / 249920-21
Fax : +91-1262-249922 / 248297
Email : mktg@lpsindia.com / purchase@lpsindia.com
Website : www.lpsindia.com

LPS/CSO/2017/

September 12, 2017

Bombay Stock Exchange Limited
Listing Department,
1st Floor, New Trading Ring,
Rotunda Building,
Phiroze JeeJeeBhoy Towers,
Dalal Street, Fort
Mumbai – 400 001.

The National Stock Exchange
of India Limited
Exchange Plaza,
Bandra –Kurla Complex,
Bandra – East
Mumbai – 400 051

Company Code: 506079

LAKPRE

Sub. : **Outcome of the 306th Board Meeting held on 12.09.2017.**

Dear Sir,

Pursuant to Regulation 30 of the SEBI (LODR) Regulations, 2015, we are pleased to inform interalia the outcome of the Meeting of the Board of Directors of the Company held on 12th September, 2017, the meeting was started at 2:30 p.m. and concluded at 7:00 p.m.:

1. Approved the Un-audited Financial Results & noted Limited Review Report as issued by Auditors for the quarter ended on June 30, 2017 is enclosed as **Annexure – 1**.
2. Approved the contract with M/s. Universal Precision Screws (UPS) a partnership firm, Related Party, where Directors of the Company are, partners, and transaction is falling under the purview of Section 188 (1) (b) of the Companies Act, 2013 read with Rules 15 of the Companies (Meeting of Board and its Powers) rules 2014, and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under read with Regulation 23 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015, which need recommendation from Audit Committee and approval from the Board, the necessary approvals obtained, the other required **details as per clause no. 5 PARA B of Part A of Schedule III of SEBI (LODR), 2015 are as under:**

Name of Related Party	M/s. Universal Precision Screws (Partnership Firm)
Nature of Relationship and transaction	In M/s. Universal Precision Screws (UPS), a partnership firm, where Directors of the Company are partners, hence the transaction of jobwork to UPS is a related party transaction as per provision of Regulation 23 of SEBI (LODR), 2015 read with the provisions of Section 188 (1)(b) of the Companies Act, 2013.
Nature, duration of the Contract and particulars of the Contract or	Jobwork done by M/s. Lakshmi Precision Screws Limited (Contractee Party) to M/s. Universal Precision Screws (UPS, a partnership Firm, where Directors of the

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arrangement	Company namely Mr. Lalit Kumar Jain, Mr. Dinesh Kumar Jain, Mr. Vijay Kumar Jain and Mr. Rajesh Jain are partners..	
Brief Terms & condition of Contract	<ul style="list-style-type: none"> • Job work of Rs.50 lacs per month • Payment within 1 month after receipt of Bill. 	
Value of Contract	Period	Amount (Rs. in lacs)
	12.08.2017 to 31.03.2018	400
	01.04.2018 to 31.03.2019	600
	01.04.2019 to 31.03.2020	600
Any advance payment, if any received.	Nil	
Whether all factors relevant to the contract have been considered, if not, please mention the details of factors not considered with reason for not considering those factors	Yes	
Whether transactions are at Arms Length basis	Yes	
Any other information(s)	-	

- Reviewed the status on Legal cases till June 30, 2017, a copy of status on Legal case is enclosed as **Annexure – 2**.
- Approved the Performance Evaluation of all Non Independent Directors, Independent Directors, Chairman & Managing Director, Board as Whole, Audit Committee and Nomination & Remuneration Committee.
- Noted the appointment of Mr. Bhanu Prakash as DGM (HR) as one level below Key Managerial Personnel with effect from July 22, 2017.

Name appointee at one level below KMP & Designation	Reason for Change & terms and conditions	Date of change	Brief Profile
Mr. Bhanu Prakash, DGM (HR)	Appointment Appointed at CTC of approx Rs. 16.5 lakhs p.a. and such other terms &	With effect from July 22, 2017, as approved by the Board in its meeting held on September 12, 2017.	Mr. Bhanu Prakash has more than 30 years of experience in HR, prior to joining the

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	conditions as per his appointment letter.	Company he was associated with with M/s. Sperry Plast Limited
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6. Noted the resignation of following Directors:

Name of Director & DIN	Reason for resignation	Date of cessation
Smt. Sushila Devi Jain, Non-executive Director (DIN 00150952)	Due to health reason	W.e.f. 21.08.2017 as approved by the Board in its meeting held on September 12, 2017.
Mr. Kailash Sarup Bhatnagar, Non-executive Independent Director (DIN 07652637)	Due to health reason	W.e.f September 12, 2017 as approved by Board in its meeting held on September 12, 2017.

7. Noted intimation of resignation of the Vice President(s) as one level below Key Managerial Personnel.

Name of person at one level below KMP	Reason for change	Date of cessation
Mr. Rahul Jain	Resignation	September 05, 2017 and noted by the board in its meeting on September 12, 2017
Mr. Amit Jain	Resignation	September 05, 2017 and noted by the board in its meeting on September 12, 2017

8. Approved Joint documentation for renewal cum enhancement of existing credit facilities from Canara bank, Rohtak and State Bank of India, Delhi.

Name of parties with whom the agreement is to be entered	Between Company and Canara bank, Rohtak and State Bank of India, Delhi
Purpose	Renewal cum enhancement of existing credit facilities of Rs. 120 crores fund based and 80 crores non fund based.
Significant terms & conditions of the Agreement	Renewal cum enhancement of existing credit facilities of Rs. 120 crores fund based and 80 crores non fund based.

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	The credit facilities shall be shared in the ration of 70:30 between consortium of Canara Bank and State bank of India
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9. Noted Cost Audit Report for Financial Year 2016-17.

You are requested to take the above information in your record and oblige us.

Thanking you,
Yours sincerely,
for **Lakshmi Precision Screws Ltd.**


Lalit Kumar Jain
Chairman & Managing Director
DIN: 00061293


Santosh Kumar Sharma
Company Secretary
FCS-6817

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B M CHATRATH & CO LLP

(Formerly B. M. Chatrath & Co.)
Chartered Accountants
LLPIN : AAJ-0682

A-78, 2nd Floor, Sector-4,
Noida-201301, U.P., India
Tel : 0120-4742001 to 4742008
Web : www.bmchatrath.com

Limited Review Report**INDEPENDENT AUDITOR'S REVIEW REPORT**

To The Board of Directors of
46/1 Mile Stone, Hisar Road
Rohtak -124001
Lakshmi Precision Screws Limited

1. We have reviewed the unaudited financial results ('the statement') of Lakshmi Precision Screws Limited ('the Company') for the quarter ended June 30, 2017 which are included in the accompanying 'Statement of Unaudited Financial Results for the Quarter ended June 30, 2017 together with the relevant notes thereon (the "Statement")'. The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Agreement and Disclosure Requirements) Regulations, 2015 read with SEBI Circular dated July 5, 2016. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Further, the Management is also responsible to ensure that the accounting policies used in preparation of this Statement are consistent with those used in the preparation of the Company's opening unaudited Balance Sheet as at April 1, 2016 prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free from material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



REGD. OFFICE : 21, Hemanta Basu Sarani, Centre Point, 4th Floor, Kolkata - 700001 Tel : 033-22484575
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3. The statement prepared on the basis of the related interim financial statements in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("IND AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India, is the responsibility of the Company's Management. Our responsibility is to issue a report on these financial statements based on our review.

4. A) A fraud of Rs. 1,60,59,342/- was reported during the Financial Year 2005- 06 incurred by an ex-employee of the Company which is under litigation and pending before the Hon'ble Delhi High Court. During the preceding financial year, Rs. 20,00,000/- were recovered. In our opinion, provision for doubtful debt should be recognized for the remaining amount and to that extent the loss for the quarter is understated.

B) As per the accounting policy of the Company, the Company is valuing its inventories at lower of cost and net realizable value. As explained to us, since exact cost is not ascertainable, the same is arrived at list price less 57% in case of finished goods and at list price less 66% in case of semi-finished goods and special items have been valued at 31% less in case of semi-finished goods and 22% less in the case of finished goods of the selling price. Since proper cost records are not maintained, exact cost is not ascertainable, and therefore the impact if any, on account of valuation of inventories on basis of actual cost is not quantifiable and provided for.

C) The Company is not regular in depositing undisputed Statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales tax, Value Added Tax, Service Tax, Excise Duty, Cess and several other Statutory Dues including interest thereon to the appropriate authorities. Arrears of outstanding statutory dues as on 30th June, 2017 are Rs. 32,22,67,945.

D) The Company has defaulted in repayment of principal and interest to Banks and Financial Institutions as on 30 June 2017 of Rs 26,23,17,774.

E) The Company has capitalized Borrowing Costs amounting to Rs. 1,33,36,724/- for the quarter ended 30th June, 2017 in respect of capital work in progress at IMT, Rohtak. However the same is not in compliance with Ind AS 23 "Borrowing Costs". Since no substantial development activity has been carried out at IMT, Rohtak, borrowing cost of Rs. 1,33,36,724/- should be charged to Statement of Profit and Loss and to that extent loss for the year is understated.



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F) The Company is in violation of Section 73 of Companies Act, 2013 read together with Companies (Acceptance of Deposits) Rules, 2014, as it 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.

G) The Company has taken unsecured loans from Companies amounting to Rs. 5,80,55,000/- which are outstanding as at the end of the quarter. However, loan agreements in respect of these loans have not been furnished and in absence of the same, the terms of repayment, chargeability of interest and other terms are not verifiable. One of the matter related to RCI Industries is under litigation in Punjab & Haryana High Court.

5. Subject to our comments in above paragraphs and based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results, prepared in accordance with Ind AS and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 read with SEBI circular dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B.M. Chatrath & Co. LLP
Chartered Accountants,
Firm Registration Number 301011E


BIHARAT C SWAIN

Partner

Membership No. 501999

Place: New Delhi

Date: September 12, 2017



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**LAKSHMI PRECISION SCREWS LIMITED**

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Rohtak - 124 001 (Haryana) Ph.01262-248288-89, Fax : 01262-248297

Email : complianceofficer@lpsindia.com, website : www.lpsindia.com

CIN : L35999HR1968PLC004977

**Statement of Un-audited (Standalone) Financial
Results for the Quarter Ended 30th June, 2017**

PART-I		(Rs. In Lacs)	
S. No.	Particulars	Standalone	
		Quarter Ended	
		30.06.2017	30.06.2016
		Unaudited	Unaudited
1	Revenue from operations	5747.57	7628.24
2	Other Income	37.12	33.57
3	Total Income (1+2)	5784.70	7661.81
4	Expenses		
	a. Cost of materials consumed	1837.73	2410.63
	b. Purchases of stock-in-trade	523.83	347.63
	c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	(173.43)	309.51
	d. Employee benefits expense	1681.39	1839.20
	e. Excise duty	609.07	906.28
	f. Finance Cost	956.61	901.89
	g. Depreciation and amortization expense	404.18	646.41
	h. Other expenses	1363.68	1455.03
	Total Expenses	7203.05	8816.60
5	Profit/(Loss) before exceptional items (3-4)	(1418.35)	(1154.77)
6	Exceptional Items	0.00	0.00
7	Profit/(Loss) from ordinary activities before tax (5+6)	(1418.35)	(1154.77)
8	Tax Expense		
	a) Current Tax	0.00	0.00
	b) Income tax pertaining to earlier years	0.00	0.00
	c) Deferred Tax	0.00	0.00
	Total Tax expense	0.00	0.00
9	Net Profit/(Loss) for the period (7-8)	(1,418.35)	(1,154.77)
10	Other comprehensive Income, net of income tax		
	a) i) Items that will not be reclassified to profit or loss	0.00	0.00
	ii) Income tax relating to items that will not be reclassified to profit or loss	0.00	0.00
	b) i) Items that will be reclassified to profit or loss	0.00	0.00
	ii) Income tax relating to items that will be reclassified to profit or loss	0.00	0.00
	Total Other comprehensive income, net of income tax	0.00	0.00
11	Total comprehensive income for the period (9+10)	(1418.35)	(1154.77)
12	Paid-up equity share capital (Face value of Rs.10/- per share)	1094.17	1094.17
13	Earnings Per Share (not annualised) (Rs.)		
	(a) Basic	(12.96)	(10.55)
	(b) Diluted	(12.96)	(10.55)

Notes:

- The above results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meetings held on September 12, 2017. The Statutory Auditors of the Company have carried out the limited review of the same.
- This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed u/s 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2017, the Company has for the first time adopted Ind AS with a transition date of April 1, 2016.
- The Company is operating only in one segment viz. Fasteners and therefore, has only one reportable segment in accordance with Ind AS 108 "Operating Segments".
- The Ind AS compliant financial results, pertaining to period ended June 30, 2016 have not been subject to limited review or audit. However, the management has exercised necessary due diligents to ensure that such financial results provide a true and fair view of its affairs.

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- 5 The statement does not include Ind AS compliant results for the preceding quarter and perious year ended March 31, 2017 as the same is not mandatory as per SEBI's circular dated July 5, 2016.
- 6 Figures for the previous periods have been regrouped and reclassified to confirm the classification of the current period, wherever considered necessary.
- 7 The figures have been rounded off to the nearest lakh of rupees upto two decimal places.
- 8 The reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below :

Description	(Rs. In Lacs)
	Corresponding 3 months ended in the previous year June 30, 2016
Net profit/(loss) as per previous GAAP (Indian GAAP)	(1,069.98)
Ind AS adjustments : Add / (less)	
Effect of amortisation of finance costs	5.09
Prior period items adjustments	79.7
Net profit/(loss) as per Ind AS	(1,154.77)
Other comprehensive income, net of income tax	0
Total comprehensive income for the period	(1,154.77)

By order of the Board
for Lakshmi Precision Screws Ltd.

Lalit Kumar Jain
Chairman & Managing Director
DIN:00061293

Place: Rohtak
Date : 12.09.2017

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Sr. No.	Title of the Case	Date of Cause of Action/ petition	Relief Claimed	Brief Facts	Court	NDOH	For
1	LPS Vs. Syndicate Bank CS/OS 1887/2008 J.A. 1208/2008	June, 2002 to June, 2006	Suit for Recovery (Order: 37 CPC) Rs. 1,60,30,577/-	Beside criminal case against the Jogender & others which is pending at Rethak we are claiming recovery of the amount from Syndicate Bank	Delhi High Court	2/5/2014	Next date for Arguments awaited
2	Sitara Vs. (1)Jogender Samal (2) Aniya Rasmi Upadaya (3)Susmita Samal (4) Meera Majumdar	June, 2002 to June, 2006	FIR No. 279 dt. 22/06/05 U/s 420, 488, 471, 408, 120-B IPC	Beside civil suit for recovery pending in Delhi High court action under criminal law has been initiated against the Jogender samal and bank employees for criminal Breach of trust, cheating, forgery and criminal conspiracy	Ms. Mainka Singh	Awaiting High Court Order	
3	Intec Capital Limited	Arb. Case No. 18/2015	Recovery of Rs. 1,57,96,501/- for availing finance facility @ 36% and future interest p.a.	Loan agreement No. 012610 dated 23-02-2013 for availing finance facility of Rs. 2,95,00,000/- for buying machinery and equipment	Ant Kumar	Sole No Next date	Awaiting final order
4	Intec Capital Limited	Arb. Case No. 2015	Recovery of Rs. 1,29,81,191/- and future interest @ 36% p.a.	Loan agreement No. 012638 dated 30-11-2012 for availing finance facility of Rs. 2,14,00,000/- for buying machinery and equipment	Ant Kumar	Sole No Next date	Awaiting final order
5	Intec Capital Limited	Arb. Case no. 03/2015	Recovery of Rs. 1,25,10,420/- and future interest @ 36% p.a.	Loan agreement No. LINGM2714-150004078 dated 28-06-2014 for availing finance facility of Rs. 1,35,05,400/- for buying machinery and equipment	Ant Kumar	Sole No Next date	Awaiting final order
6	Kavya Financial Services Ltd Vs. LPS		(A) Total Loan recall of Rs. 15 Crore, SBL Agreement No. 410975 dated 21-06-2013		B.A. Sheelar, Sole Arbitrator, Mumbai		Consideration on our application challenging appointment of arbitrator
7	Kavya Financial Services Ltd Vs. LPS		(B) Total Loan recall of Rs. 5,34,08,139/- (3,25,66,000/- + 1,96,32,474/-) SBL Agreement 411761 & 701011 dated 27-12-2014		B.A. Sheelar, Sole Arbitrator, Mumbai		Consideration on our application challenging appointment of arbitrator

8	Commissioner Central Excise V LPS, Ranchi Appeal No. E4044/2010-EX (CB) 31.75.965/.	Q-1A No. 2007-2008 to 2011-12 (upto 28.02-2012)	Application file 5 Cervat Credit Rules dated 19-10-2009 Q-1A 2009/10 CESTAT 20-01-2010 Q-1A 3593/KRTK/2010 dt 13-09-2010	No Next date	Next date for personal hearing awaited
9	SCN 07 dated 16-04-2012	2007-2008 to 2011-12 (upto 28.02-2012)	SCN dated 18-04-2012 - Cervat credit of Service Tax Rs. 6162989/- paid by company on freight charges on outward Central Excise. Commissioner of final Remission product from factory gate to their buyers from 01-03-2007 to 29-02-2012.	No Next date	Application to commissioner and Addl. Comm. moved to decide the matter pending before the comm. first and clubbing all the pending cases
10	SCN 03 dated 20-02-2013	01-03-12 to 31-12-12	SCN dated 20-02-2013 - Cervat credit of Service Tax Rs. 8,95,924/- paid by company on freight charges on outward transportation of final product from factory gate to their buyers from 01-03-2012 to 31-12-2012		
11	SCN 54 dated 13-01-2013	01-01-13 to 31-07-13	SCN for Cervat credit availed by company of Service Tax Rs. 5,13,877/- paid by company on freight charges on outward transportation of final product from factory gate to their buyers from 01-01-2013 to 31-07-2013		
12	SCN 41 dated 25-08-2013	01-08-13 to 31-03-14	SCN for Cervat credit availed by company of Service Tax Rs. 10,28,918/- paid by company on freight charges on outward transportation of final product from factory gate to their buyers from 01-08-13 to 31-03-14		
13	SCN 08 dated 01-04-2014	01-04-14 to 31-12-14	SCN for Cervat credit availed by company of Service Tax Rs. 13,20,094/- paid by company on freight charges on outward transportation of final product from factory gate to their buyers from 01-04-14 to 31-12-14	Commissioner (Appeal), Gurgaon	Next date awaited

Vide order in original no. 39-45/ST/ACCM/2016-17 dated 30-12-2016 Additional commissioner, Central Excise has partly allowed the Cervat credit amounting to Rs. 30,37,580/- on account of service tax on transportation upto port in respect of goods exported by the company but has confirmed the demand of Rs. 27,12,762/- along with interest on account of domestic supplies and ordered recovery against which we have not allowed appeal before this

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