

**Lakshmi Precision Screws Ltd.**

Plant II, Opp. Northern Bye-Pass, Hissar Road,
Rohtak-124001, Haryana (India)
Tel. : +91-1262-248288-89 / 249920-21
Fax : +91-1262-248222 / 248297
Email : mktg@lpsindia.com / purchase@lpsindia.com
Website : www.lpsindia.com



LPS/CSO/2018/

March 13, 2018

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 309th Board Meeting held on 13.03.2018.**

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 13th March, 2018, the meeting was started at 2:30 p.m. and concluded at 7:45 p.m.:

1. Approved the Un-audited Financial Results & noted Limited Review Report as issued by Auditors for the 3rd quarter/ nine months ended on December 31, 2017 is enclosed as **Annexure – 1**.
2. Reviewed the status on Legal cases till December 31, 2017, a copy of status on Legal case is enclosed as **Annexure – 2**.
3. Women director will be appointed soon.
4. Company Secretary (KMP) and Compliance Officer will be appointed soon.
5. Chief Financial Officer (CFO)(KMP) will be appointed soon.
6. Non-executive Director as Chairman of Stakeholders Relationship Committee will be appointed soon.

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7. Mr. Suresh Kumar, Practicing Company Secretary has been appointed as Scrutinizer to conduct the postal ballot voting process.
8. Obtain the approval of the members by ordinary resolution through postal ballot process for appointment of M/s. Arora & Choudhary Associates, Chartered Accountants, New Delhi as Statutory Auditors of the Company. The cut-off date for the purpose of the Postal Ballot will be 16.03.2018.

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

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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 December 31, 2017 which are included in the accompanying 'Statement of Unaudited Financial Results for the Quarter ended December 31, 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.
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




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of the Company's Management. Our responsibility is to issue a report on these financial statements based on our review.

4. A) 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. Stock of Finished Goods & Scrap are being valued at inclusive of GST @ 18%, which is Wrong.

B) The Company is not regular in depositing undisputed Statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales tax, Value Added Tax, GST, Service Tax, Excise Duty, Cess and several other Statutory Dues including interest thereon to the appropriate authorities. Arrears of outstanding statutory dues as on 31st December, 2017 are Rs. 38,14,71,518/-

There is contingent Liability for Demands of Income Tax:-

Disputed Income Tax Demand

Period to which the Amount Relates	Amount (Rs.)
A.Y.1991-92	290376/-
A.Y.1990-91	5426222/-
A.Y.1990-91	2000075/-

C) The Company has defaulted in repayment of principal and interest to Banks and Financial Institutions as on 31 December, 2017 of Rs. 30,69,12,009/-.

LC Devolved. There is a devolvement of LC of various parties worth Rs.135.34 Lacs which is appearing in Sundry Creditors List of the Company.

D) The Company has capitalized Borrowing Costs amounting to Rs. 3, 63, 56,049/- for the nine months period ended 31st December, 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. 3, 63, 56, 049 /- should be charged to Statement of Profit and Loss and to that extent loss for the year is understated.




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E) 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.

F) 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 matters related to RCI Industries is under litigation in Punjab & Haryana High Court.

G)(i) The Company has taken unsecured loan from directors and total loan outstanding as on 31st December, 2017 are Rs. 59,46,13,361/- which was Rs. 47,67,10,388/- on 30.09.2017 and acceptance of such loan from directors are in contravention to the provisions of the Companies Act, 2013.

Directors have not given declaration stating that the amount given to the Company as unsecured loan are not borrowed from any other source. In case of absence of such declaration, such loans will be treated as deposits and strict provision of acceptance of deposit rules are required to be followed. Acceptance of deposit rules also prescribes the maximum rate of interest on such deposit. Further, there is no board resolution passed which authorize acceptance of unsecured loan from directors. More so Mr. L.K. Jain & Mr. D.K. Jain is being paid Interest on different rate of interest.

G (ii) Unsecured Loans from persons other than Directors:-

Company is in violation of Company Law and acceptance of Deposit Rules. A company cannot accept deposits from Persons other than Directors but they are Frequently Depositing and Refunding in some accounts reflected as under:-



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Name	Opening balance as on 01.04.2017	Credit	Debit	Closing Balance as on 31.12.2017
Amit Jain	3889996			3889996
GAGAN JAIN	1746788	5700000	2135000	5311788
GAUTAM JAIN	2361598	10577212	5877212	7061598
KAVITA Jain	150000			150000
Rita Jain	3485000	2000000		5485000
SHIMPI JAIN		900000		900000
Yashika Jain			200000	-200000
Rajesh Jain	16018878			16018878
V.K.Jain	10650000			10650000
Total	38302260	19177212	8212212	49267260

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 recognized 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.
6. Unsecured Loan Account of Mr.L.K.Jain shows various routine nature transactions of company's expenses etc.

Opening Balance of his Account as on 01.04.2017 :-108003379

Closing Balance of his Account as on 31.12.2017:-113927916

Which is in violation of Companies (Acceptance of Deposits) Rules, 2014 and violation of Sec. 269SS of Income Tax Act also.
7. GST Returns are not provided to us and it is told to us that GST Returns are not filed since August,2017 so we are Unable to reconcile the sales , purchases, sales returns and purchase returns on account of non availability of GST returns.
8. Finance Cost includes Interest paid/Credited during the current quarter to Directors on the Unsecured Loan from Directors of the company. Interest paid to Mr. D.K.Jain Rs. 87.79 lac and Mr. L.K.Jain Rs 19.71 lac.




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9. Employee Benefit expense of Current Quarter includes Rs.34.50Lacs Director Remuneration paid/Cr to Mr.L.K.Jain, Chairman and Managing Directors of the company although it is as per approval of MCA.
10. Related Party Transactions are said to be within Transfer Pricing parameters however since we have not conducted an Audit its Authenticity is subject to verification.

For Arora And Choudhary Associates

Chartered Accountants,
Firm Registration Number 003870N


Sanjeev Kumar Arora

Partner

Membership No. 084307

Place: Rohtak

Date: Mar, 13, 2018

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LAKSHMI PRECISION SCREWS LIMITED

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

CIN : L35999HR1968PLC004977

Statement of Un-audited (Standalone) Financial Results for the Quarter Ended 31st December, 2017

S. No.	Particulars	(Rs. in Lacs.)				
		Quarter Ended			Nine Month Ended	
		31-Dec-17	30-Sep-17	31-Dec-16	31-Dec-17	31-Dec-16
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1	Revenue from operations	5,134.98	5,630.78	6,436.92	17,000.42	20,314.30
2	Other income	37.10	26.72	136.21	101.00	235.74
3	Total Income (1+2)	5,172.15	5,657.50	6,573.13	17,139.45	20,550.04
4	Expenses					
a	Cost of materials consumed	1,756.10	1,665.06	2,052.55	5161.80	6,475.00
b	Purchases of stock-in-trade	806.17	932.37	904.87	2262.37	1,202.60
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(36.15)	(219.05)	35.59	(429.46)	624.89
d	Employee benefits expense	1,470.80	1,742.41	1,725.04	4894.60	5,454.95
e	Excise duty	-	0.00	295.74	1134.18	1,777.13
f	Finance costs	933.32	804.81	1,105.66	2794.75	3,067.35
g	Depreciation and amortisation expense	405.15	407.36	674.35	1216.09	1,557.61
h	Other expenses	1,101.65	1,455.61	1,502.59	3920.66	4,518.00
	Total Expenses (a+b+c+d+e+f+g+h)	6,439.01	6,788.75	8,386.49	20,955.97	26,017.44
5	Profit/(Loss) before exceptional items (3-4)	(1,266.86)	(1,131.25)	(1,813.36)	(3,816.52)	(4,467.40)
6	Exceptional Items	-	-	(4.11)	-	4.11
7	Profit/(Loss) before tax (5-6)	(1,266.86)	(1,131.25)	(1,810.25)	(3,816.52)	(4,460.27)
8	Tax expense					
a	Current Tax	-	-	-	-	-
b	Income tax pertaining to earlier years	-	-	-	-	-
c	Deferred Tax	-	-	-	-	-
	Total Tax expense	-	-	-	-	-
9	Net Profit/(Loss) for the period (7-8)	(1,266.86)	(1,131.25)	(1,810.25)	(3,816.52)	(4,460.27)
10	Other comprehensive income, net of income tax					
a	i) Items that will not be reclassified to profit or loss	-	-	-	-	-
	ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
b	i) Items that will be reclassified to profit or loss	-	-	-	-	-
	ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	Total Other comprehensive income, net of income tax	-	-	-	-	-
11	Total comprehensive income for the period (9+10)	(1,266.86)	(1,131.25)	(1,810.25)	(3,816.52)	(4,460.27)
12	Paid-up equity share capital (Face value of Rs. 10/- per share)	1,094.17	1,094.17	1,094.17	1,094.17	1,094.17
13	Earnings Per Share (not annualised) (Rs.)					
(a)	Basic	(11.58)	(10.34)	(16.54)	(34.88)	(40.76)
(b)	Diluted	(11.58)	(10.34)	(16.54)	(34.88)	(40.76)

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Title of the Case	Relief Claimed	Brief Facts	Court	NDOH	For
LPS Vs. Syndicate Bank CS(OS) 1887/2006 I.A. 12087/2008	Suit for Recovery (Order 37 CPC) Rs. 1,60,30,877/-	Beside criminal case against the Jogender & others which is pending at Rohitak we are claiming recovery of the amount from Syndicate Bank	Delhi High Court	2/5/2014	Arguments Next date awaited
Karvy Services LPS	(A) Total Loan recall Financial of Rs. 15 Crore. SBL Ltd. Vs. Agreement No. 410975 dated 21-06- 2013		B.A. Shelar, Sole Arbitrator, Mumbai	2/14/2018	Claimant Evidence
Karvy Services LPS	(B) Total Loan recall of Rs. 5,34,08,139/- Financial (3,25,66,000/- + Ltd. Vs. 1,98,32,474/-) SBL Agreement 411761 & 701011 dated 27-12- 2014		B.A. Shelar, Sole Arbitrator, Mumbai	2/14/2018	Claimant Evidence
Karvy Services LPS & other directors	Financial Ltd. Vs. Complaint U/s 138 Cheque of Rs. 13 crores		Metropolitan Magistrate, 7th Court, Dadar, Mumbai	2/7/2018	Appearance
LPS & others Karvy	Vs. Revision summoning order against Cheque of Rs. 13 crores		Session Judge, Mumbai	2/3/2018	Arguments
Rajesh Jain & others Vs. Karvy	Revision summoning order against Cheque of Rs. 13 crores		Session Judge, Mumbai	2/3/2018	Argument

RCI Industries & Technology Ltd. Vs. LPS	Appointment of official liquidator & take over assets of the company and restrain company from alienation	Loan amount of Rs. 7,14,00,000/-	Punjab & Haryana High Court	2/8/2018	Argument
Deep Industries		Amount claimed is Rs. 38,78,645/- along with interest @ 24 % till payment of amount			
D.P. Industries		Amount claimed is Rs. 1,39,04,524/- along with interest @ 24% till payment of amount			
Bharat Industries		Amount claimed is Rs. 2,90,25,801/- along with interest @ 24 % till payment of amount			
Ankit Industries	Recovery of amount	Amount claimed is Rs. 1,33,99,889/- along with interest @ 24 % till payment of amount	Ashwani Goel, ADJ	2/5/2018	Payment as per schedule & settlement arrived. Total 6.5 crores to be paid.
Sagar Auto		Amount claimed is Rs. 37,33,696/- along with interest @ 24 % till payment of amount			
Taif Industries		Amount claimed is Rs. 2,90,25,801/- along with interest @ 24 % till payment of amount			
Intec Capital Limited	Recovery of 1,97,99,501/- reference of dispute to arbitrator	Rs. Loan agreement No. 012/810 dated 23-02-2013 for availing finance facility of dispute rs. 2,95,00,000/- for buyback machinery and equipment	Anil Chandel, Arbitrator	Kumar 12/12/2017 Sole	Award passed

an award in a sum of Rs. 1,97,99,501/- alongwith interest at the rate of 13% per annum, from the date of filing of the claim, has been passed

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Intec Capital Limited	Recovery of Rs. 1,29,81,191/- and 11-2012 for availing finance facility of future interest @ 36% p.a. and 14,00,000/- for buying machinery and equipment	Anil Chandel, Arbitrator	Kumar Sole	12/12/2017	Award passed	an award in a sum of Rs. 1,29,81,191/- alongwith interest at the rate of 13% per annum, from the date of filing of the claim, has been passed.
Intec Capital Limited	Recovery of Rs. 1,25,10,420/- and 15-06-2014 for availing finance facility of future interest @ 36% p.a. and 1,36,05,400/- for buying machinery and equipment	rs. Chandel, Arbitrator	Kumar Sole	12/12/2017	Award passed	an award in a sum of Rs. 1,25,10,420/- alongwith interest at the rate of 13% per annum, from the date of filing of the claim, has been passed.
Scientific Traders Vs. LPS	Suit for Recovery of Rs. 3,98,143/-	Harish Civil Rohtak	Goyal, Judge,	3/16/2018	Written Statement	
Arvind Bhatia Vs. LPS	Recovery of Rs. 7.5 lakhs Ex-Employee, suit for recovery of 7.5 lakhs	Harish Civil Rohtak	Goyal, Judge,	2/5/2018	Replication	
Amit Vs. LPS & Permanent IPSS	Injunction Claiming Job & Declaration	Labour Court		3/13/2018	Written Statement	
Amit Vs. LPS & Recovery of IPSS	pending wages Rs. 251487/-	Additional Labour Commissioner		2/15/2018	Petitioner Evidence	
Omparkash Vs. LPS & Recovery of IPSS	pending wages Rs. 185647/-	Additional Labour Commissioner		2/15/2018	Petitioner Evidence	
Naresh Vs. LPS & Recovery of IPSS	pending wages Rs. 192140/-	Additional Labour Commissioner		2/15/2018	Petitioner Evidence	

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Rambir Vs. LPS & Recovery of pending Rs. 115163/- along with interest @ 18 Additional Labour
IPSS wages p.a. Commissioner

1/31/2018 appearance

Volvo Vs. LPS & Ors Complaint U/s 138 copy of complaint not yet received. JMIC, Bangalore
Legal Notice was of Rs. 7,41,061/-

Bony Polymers Vs. Complaint U/s 138 Rs. 5,00,000/- Jitender, JMIC,
LPS & Ors Faridabad

Bony Polymers Vs. Complaint U/s 138 Rs. 5,50,000/- Jitender, JMIC,
LPS & Ors Faridabad

Bony Polymers Vs. Complaint U/s 138 Rs. 3,50,000/- Jitender, JMIC,
LPS & Ors Faridabad

Bony Polymers Vs. Complaint U/s 138 Rs. 4,50,000/- Jitender, JMIC, 4/18/2018 Appearance
LPS & Ors Faridabad

Bony Polymers Vs. Complaint U/s 138 Rs. 4,50,000/- Jitender, JMIC,
LPS & Ors Faridabad

Bony Polymers Vs. Complaint U/s 138 Rs. 5,50,000/- Jitender, JMIC,
LPS & Ors Faridabad

Bony Polymers Vs. LPS (ii) LKJ	Complaint U/s 138	Rs. 4,50,000/-	Jitender, JMJC, Faridabad	
Bony Polymers Vs. LPS (ii) LKJ	Complaint U/s 138	Rs. 15,95,706/-	Sunil, JMJC, Faridabad	
Goel Mechanicals Vs. (i) LPS (ii) LKJ (iii)DKJ (iv) VKJ (v) RKJ (vi) Sushila Devi (vii) Jamshed Desai (viii) Keshawa Nand Rattan (xi) Ajay Kumar Chakraborty (x) Bhagwan Dass Narang (xi) Yuthisther Lal Madan (xii) KL Gourai (xiii) Rajeev Vij	Complaint U/s 138	Rs. 9 lacs. Matter has been settled on the basis of PDC Room no. 279, given of approx. 78 Lakhs	Singh Virender, Tis Hazari Court	2/5/2018 Since payment of Rs. 77 Lakhs has been made, case to be adjourned till 05-09-18 last date of PDC
Sampark Global Vs. LPS	Recovery	Rs. 19,25,207/- along with interest @ 27 p.a. actual outstanding is of Rs. 8,20,778/-	Jai Singh Jangra, Sole Arbitrator appointed by MSME	2/1/2018 Replication
KV Auto Vs. LPS		Recovery of Rs. 99,15,136/-	MSMEFC, Chandigarh	
Harjai sons Vs. LPS		Recovery of Rs. 38,25,100/-	MSMEFC, Chandigarh	
Balaji Enterprises		Recovery of Rs. 87,94,613/-	MSMEFC, Chandigarh	

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