



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/2016/

August 27, 2016

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 297th Board Meeting held on 27.08.2016.

Dear Sir,


Pursuant to Regulation 30 of the SEBI (LODR) Regulations, 2015, we are pleased to inform you that the Board of Directors of the Company in their meeting held on 27th August, 2016 approved Unaudited Financial Results for the quarter ended on June 30, 2016 (copy enclosed). The meeting was started at 7:00 p.m. and concluded at 8:15 p.m.

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

Thanking you,

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


Lalit Kumar Jain
Chairman & Managing Director
DIN: 00061293


Santosh Kumar Sharma
Company Secretary
FCS-6817



V.R. BANSAL & ASSOCIATES

Chartered Accountants

D-94, 9th Floor, Himalaya House, 23, K. G. Marg,
New Delhi-110001 • Tel.: 23316181, 23316191

Mob.: 9810052850, 9810186101 • Website : www.cavrb.com

Limited Review Report

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

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Lakshmi Precision Screws Limited ('the Company') for the quarter ended June 30th, 2016 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the 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 of material misstatement. A review is limited primarily to inquiries of Company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. (A) *We are unable to observe physical inventories of Finished Goods, Semi-Finished Goods, Stock in Trade (Traded goods) and Consumables Stores and Spares due to the size and nature of inventories and we are also unable to satisfy ourselves by alternative means concerning the inventories held at 30th June, 2016. The entity has not carried any physical verification in respect of Inventories comprising of Semi Finished Goods, Finished Goods, Stock- in- Trade (Traded goods), Consumables Stores and Spares. The physical verification of aforesaid, when conducted may have a material impact on the financial statements.*
- (B) *The Company had capitalized inventory of dies and tools having a value of Rs. 60,64,97,351/- as on 1st January, 2016. However no physical verification has been conducted in respect of dies and tools so capitalized. Adjustments, if any, are not ascertainable and will be provided after physical verification of dies and tools.*



- (C) Certain advances for materials, services and capital goods aggregating to Rs. 13,28,47,873/- were outstanding as on 30/06/2016. The confirmations from parties to whom these advances are given has not been made available. Out of such advances, provision for doubtful advances should be recognized in respect of advances, outstanding for a period of three years or more where no movement has taken place and no confirmations are available. Adjustments, if any, are not ascertainable and will be provided on identification of such parties.
- (D) Balances under Sundry Debtors and Sundry Creditors, loans and advances given by the Company and parties from whom unsecured loans have been taken are subject to confirmations and adjustments, if any, required upon such confirmations are not ascertainable and hence not provided for.
- (E) In respect of loans and advances of Rs. 1,01,96,685/- given to Lakshmi Extrusions Limited, it is observed that the said party is not making any repayment and the said loan is outstanding for more than three years. In our opinion the same should be classified as doubtful advance and provision should be recognized in accounts. To that extent, the loss for the year is understated.
- (F) The Company has capitalized Borrowing Costs amounting to Rs.88,80,560/- for the period ended 30th June, 2016 in respect of capital work in progress at IMT, Rohtak. However the same is not in compliance with Accounting Standard-16 "Accounting for Borrowing Costs". Since no substantial development activity has been carried out at IMT, Rohtak, borrowing costs of Rs. 88,80,560/- should be charged to the Statement of Profit and Loss and to that extent the loss for the year is understated.
- (G) 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. In our opinion, provision for doubtful debt should be recognized for the same and to that extent the loss for the year is understated.
- (H) 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. 3,99,71,526/- having balance outstanding for more than 365 days. In terms of Rule 2(1)(xii)(a) of Companies (Accounts) Rules, 2014 such advances are liable to be treated as deposits. Also, the Company had accepted deposits of Rs. 7,05,00,000/- prior to 01.04.2014 in violation of Section 76 of the Companies Act, 2013 read together with Companies (Acceptance of Deposits) Rules, 2014, and having balance of Rs. 44080002/- as on 30.06.2016. The Company has filed a petition before Hon'ble Company Law Board seeking extension of time for repayment of deposits. The Hon'ble Company Law Board vide Orders dated 16.07.2015 extended the time for repayment of public deposits. But the Company failed to comply with the said order. On a petition filed by the depositors before the Hon'ble Company Law Board, the Company Law Board passed another order dated 18.04.2016 for further extension of time for repayment of deposits, which the Company again failed to comply with as on date.



- (I) *The Company has taken unsecured loans from Companies amounting to Rs.7,20,01,822/- which are outstanding as at the end of the quarter and the same has been shown under short term borrowings in the Balance Sheet. 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 and have not been furnished.*
- (J) *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.*
- (K) *The Company has not disclosed the impact of qualifications reported in our earlier years/periods reports as required under para (IV)(c) of Clause 41 of the listing agreement.*
5. Based on our review conducted as above, and subject to our observations in Para 4 above and consequential effect on the loss for the quarter, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with the recognition and measurement principles laid down in the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.



For V. R. Bansal & Associates
Chartered Accountants
ICAI Firm Registration Number: 016534N

(V.P. Bansal)
Partner
Membership No.: 008843

Place: Delhi
Date: 27.08. 2016



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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, 2016

PART-I	S. No.	Particulars	(Rs. In Lacs.)			
			Standalone		Year Ended	
			Quarter Ended		31.03.2016	
			30.06.2016	31.03.2016	30.06.2015	31.03.2016
			Unaudited	Unaudited	Unaudited	Audited
1	Income from operations					
	(a) Net sales/ income from operations (net of excise duty)		6762.90	6252.97	7961.61	30927.78
	(b) Other operating income		12.39	21.87	17.77	63.94
	Total Income from operations(net) (a+b)		6775.29	6274.84	7979.38	30991.72
2	Expenses					
	a. Cost of materials consumed		2330.93	2465.49	2684.93	10543.71
	b. Purchases of stock-in-trade		347.63	484.87	531.34	3244.00
	c. Changes in inventories of finished goods, work-in-progress and stock-in-trade		309.51	618.77	(56.63)	309.03
	d. Employee benefits expense		1839.20	1751.74	1867.83	7096.87
	e. Depreciation and amortisation expense		646.41	601.89	276.56	1522.51
	f. Other expenses		1508.37	1479.04	2033.38	7976.42
	Total Expenses (a+b+c+d+e+f)		6982.04	7401.80	7337.42	30692.52
3	Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)		(206.75)	(1126.97)	641.96	299.20
4	Other income		33.57	97.62	175.00	389.50
5	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)		(173.18)	(1029.34)	816.97	688.70
6	Finance costs		896.80	916.49	1032.81	3799.55
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)		(1069.98)	(1945.83)	(215.85)	(3110.85)
8	Exceptional Items		0.00	2459.55	0.00	2459.55
9	Profit/(Loss) from ordinary activities before tax (7+8)		(1069.98)	513.72	(215.85)	(651.30)
10	Prior period items		0.00	(55.45)	0.00	(55.45)
11	Profit/(Loss) from ordinary activities before tax (9+10)		(1069.98)	458.28	(215.85)	(706.74)
12	Tax Expense		0.00	250.00	0.00	250.00
13	Net Profit/(Loss) from ordinary activities after tax (11-12)		(1069.98)	208.28	(215.85)	(956.74)
14	Extraordinary items (net of tax expense)		0.00	0.00	0.00	0.00
15	Net Profit/(Loss) for the period (13-14)		(1069.98)	208.28	(215.85)	(956.74)
16	Paid-up equity share capital (Face value of Rs.10/- per share)		1094.17	1094.17	1094.17	1094.17
17	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year		-	-	-	5339.47
18.i	Earnings Per Share (before extraordinary items) (not annualised) (Rs.)					
	(a) Basic		(9.78)	1.90	(1.97)	(8.74)
	(b) Diluted		(9.78)	1.90	(1.97)	(8.74)
18.ii	Earnings Per Share (after extraordinary items) (not annualised) (Rs.)					
	(a) Basic		(9.78)	1.90	(1.97)	(8.74)
	(b) Diluted		(9.78)	1.90	(1.97)	(8.74)

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PART-II		Select Information for the quarter ended 30th June, 2016			
A	PARTICULARS OF SHAREHOLDING				
1	Public shareholding:				
	No. of shares	4030647	4030647	4030647	40306
	Percentage of shareholding	36.84	36.84	36.84	36.
2	Promoters and Promoter Group Shareholding				
a)	Pledged/ Encumbered				
	- Number of shares	NIL	NIL	NIL	N
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL	N
	- Percentage of shares (as a % of the total share capital of the Company)	NIL	NIL	NIL	N
b)	Non-encumbered				
	- Number of shares	6911020	6911020	6911020	69110
	- Percentage of shares (as a % of the total shareholding of Promoter and Promoter group)	100.00	100.00	100.00	100.0
	- Percentage of shares (as a % of the total share capital of the Company)	63.16	63.16	63.16	63.
B	INVESTOR COMPLAINTS	3 Months ended 30th June, 2016			
	Pending at the beginning of the quarter	NIL			
	Received during the quarter	NIL			
	Disposed off during the quarter	NIL			
	Remaining unresolved at the end of the quarter	NIL			

Notes:

- 1 The above results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meetings held on August 27, 2016. The Statutory Auditors of the Company have carried out the limited review of the same.
- 2 The Company is operating only in one segment viz. Fasteners.
- 3 The Company has not recognized deferred tax asset amounting to Rs.1985.10 lacs. In respect of timing differences capable of reversal in future periods in absence of virtual certainty that sufficient taxable income will be available for set-off of deferred tax assets.
- 4 Figures for the previous periods have been regrouped and reclassified to confirm the classification of the current period, wherever considered necessary.
- 5 The figures have been rounded off to the nearest lakh of rupees upto two decimal places.

By order of the Board
for Lakshmi Precision Screws Ltd.

Lalit Kumar Jain
Chairman & Managing Director
DIN:00061293

Place: Gurgaon
Date : 27.08.2016