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/

June 20, 2017

Bombay Stock Exchange Limited
Listing Department,
Ist 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 305th Meeting Board of Directors.

Dear Sir,

Pursuant to Regulation 30 of the SEBI (LODR) Regulations, 2015, we are pleased to inform inter-alia the outcome of the Meeting of the Board of Directors of the Company held on 20th June, 2017, the meeting was started at 2:30 p.m. and concluded at 10:05 p.m.:

1. Approved the appointment of M/s. RMG & Associates, Company Secretaries, New Delhi as Secretarial Auditors of the Company.

Name of Secretarial Auditors & COP no.	Suresh Kumar, Partner (FCS-7776 and C.P. No. 8529) of M/s. RMG & Associate, Company Secretaries, New Delhi,
Date of Appointment	**20/06/2017**
Brief terms of appointment:	M/s. RMG & Associates was appointed as Secretarial Auditors for Financial year 2017-18 at remuneration of not exceeding Rs. 1,60,000/- exclusive of applicable taxes incidental out of pocket expenses including expenses on travelling, boarding.
Brief Profile	M/s. RMG & Associates is partnership firm of Company Secretaries, Mr Manish Gupta Is Managing Partner of the Firm and Mr. Suresh Kumar is partner of the Firm. The office of the firm is situated at New Delhi

Contd.....p/2.

LAKHMI PRECISION SCREWS LTD. ROHTAK

LPS
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2. Approved the appointment of M/s. SS Kothari Mehta & Co., Chartered Accountants, New Delhi as Internal Auditors of the Company.

Name of Internal Auditors & Firm Registration no.	M/s. SS Kothari Mehta & Co, Chartered Accountants, Firm Registration No.000756N, New Delhi,
Date of Appointment	**20/06/2017**
Brief terms of appointment:	M/s. SS Kothari Mehta & Co was appointed as Internal Auditors for Financial year 2017-18 at remuneration as may be mutually agreed between Auditors & CMD of the Company.
Brief Profile	M/s. SS Kothari Mehta & Co, Chartered Accountants, is firm of Chartered Accountants. The office of the firm is situated at New Delhi

3. Recommended the appointment of M/s. BM Chatrath & Co. LLP, Chartered Accountants, Noida (Formerly B.M. Chatrath & Co.) LLPIN: AAJ-0682 as Statutory Auditors of the Company subject to the confirmation of the Members in ensuing the 48th Annual General Meeting.

4. Approved Audited Financial Statement for the period quarter/ year ended March 31, 2017. (Copy enclosed)

5. Noted Auditors Report on Annual Audited Financial Statement (both standalone & Consolidated) for the financial year ended March 31, 2017. (Copy enclosed)

6. Approved impact on Auditor Qualification (Standalone & Consolidated). (Copy enclosed)

7. The Board of Directors has not recommended any payment of dividend to the Members of the Company for the financial year 2016-17.

8. Recommended the appointments of Whole Time Executive Directors namely Mr. Lalit Kumar Jain, Chairman & Managing Director (DIN:00061293), Mr. Dinesh Kumar Jain, Vice Chairman & Managing Director(DIN:00066363), Mr. Vijay Kumar Jain, Joint Managing Director(DIN:00073747) subject to the approval of Members in ensuing 48th Annual General Meeting of the Company, Bankers/Depositors and Central Government.

9. Fixed Book Closure period from 22.09.2017 to 29.09.2017 for the purpose of ensuing 48th Annual General Meeting to be held on Tuesday 29.09.2017.

Contd.....p/3.

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10. Recommended to the shareholders, the Re-appointment of Mr. Dinesh Kumar Jain (DIN:00066363)and Smt. Sushila Devi Jain (DIN:00150952), Directors of the Company, those retire by rotation and being eligible offers themselves for re-appointment.

11. Approved appointment of Mr. Suresh Kumar (FCS-7776 and C.P. No. 8529) Partner of M/s. RMG & Associate, Company Secretaries, New Delhi, as Scrutinizer for conducting e-voting for the 48th AGM to be convened on 29.09.2017.

12. Approved the Board Report along with Annexure for financial year 2016-17.

13. Fixed the date of ensuing 48th Annual General Meeting to be held on Friday, 29.09.2017 and approved the Cut-off date for determining the entitlements of Members to attend and vote at AGM will be August 11, 2017.

14. Approved the Annual Operating Plan for the FY2017-18;

15. Adopted Succession Policy of the Company.

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

Thanking you,

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

Santosh Kumar Sharma
Company Secretary
FCS-6817

Enclosure for Sr. No. 4, 5, 6 of the outcome

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LAKSHMI PRECISION SCREWS LIMITED

Regd. Office: 46/1, Mile Stone, Hissar Road,
Rohtak - 124 001 (Haryana) Ph.01262-248288-89, Fax : 01262-248297
Email : complianceofficer@lpsindia.com, website : www.lpsindia.com
CIN : L35999HR1968PLC004977

Statement of Standalone & Consolidated Audited Financial Results for the Quarter and Year Ended 31st March, 2017

PART-I (Rs. In Lacs.)

S. No.	Particulars	Standalone					Consolidated	
		Quarter Ended			Year Ended		Year Ended	
		31.03.2017	31.12.2016	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
		Audited *	Unaudited	Audited *	Audited	Audited	Audited	Audited
1	**Income from operations**							
	(a) Net sales/ income from operations (inclusive of excise duty)	8,353.51	6,435.92	7,053.74	28,680.84	34,121.09	28,680.84	40,589.20
	(b) Other Income	1,317.73	136.21	97.62	1,543.43	389.50	1,543.43	417.96
	Total Income from operations(net) (a+b)	9,671.24	**6,572.13**	**7,151.36**	**30,224.27**	**34,510.59**	**30,224.27**	**41,007.16**
2	**Expenses**							
	(a) Cost of materials consumed	2,404.96	2,062.55	2,465.49	8,880.00	10,543.71	8,880.00	10,543.71
	(b) Purchases of stock-in-trade	1,800.48	904.87	484.87	3,052.98	3,244.00	3,052.98	7,326.74
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(592.17)	35.69	618.77	(67.28)	309.03	(67.28)	247.15
	(d) Employee benefits expense	1,909.43	1,725.04	1,751.74	7,364.38	7,096.87	7,367.16	7,687.48
	(e) Excise duty	1,034.51	295.74	778.90	2,811.64	3,129.37	2,811.64	3,129.37
	(f) Finance Cost	998.79	1,105.56	916.49	4,056.14	3,799.55	4,056.14	3,866.69
	(g) Depreciation and amortization expense	(244.73)	674.36	601.89	1,712.78	1,522.51	1,722.12	1,591.09
	(h) Other expenses	1,738.45	1,582.68	1,479.04	6,256.54	7,976.42	6,240.54	9,286.12
	Total Expenses	**9,049.72**	**8,386.49**	**9,097.19**	**34,067.18**	**37,621.46**	**34,063.30**	**43,678.33**
3	**Profit/(Loss) from operations before exceptional items (1-2)**	**621.52**	**(1,814.36)**	**(1,945.83)**	**(3,842.91)**	**(3,110.87)**	**(3,839.03)**	**(2,671.17)**
4	Exceptional Items	(4.11)	4.11	2,459.55	-	2,459.55	-	(157.68)
5	**Profit/(Loss) from ordinary activities before tax (3+4)**	**617.41**	**(1,810.25)**	**513.72**	**(3,842.91)**	**(651.32)**	**(3,839.03)**	**(2,828.86)**
6	Prior period items	(117.02)	(44.48)	(55.45)	(254.11)	(55.45)	(254.11)	(55.45)
7	**Profit/(Loss) from ordinary activities before tax (5+6)**	**500.39**	**(1,854.73)**	**458.28**	**(4,097.01)**	**(706.76)**	**(4,093.14)**	**(2,884.30)**
8	Tax Expense	-	-	250.00	-	250.00	1.20	397.12
9	**Net Profit/(Loss) from ordinary activities after tax (7-8)**	**500.39**	**(1,854.73)**	**208.28**	**(4,097.01)**	**(956.76)**	**(4,094.34)**	**(3,281.43)**
10	Extraordinary items (net of tax expense)	-	-	-	-	-	-	-
11	**Net Profit/(Loss) for the period (9-10)**	**500.39**	**(1,854.73)**	**208.28**	**(4,097.01)**	**(956.76)**	**(4,094.34)**	**(3,281.43)**
12	Share of profit/ (Loss) of associates	-	-	-	-	-	97.52	47.93
13	Minority interest	-	-	-	-	-	0.88	(3.11)
14	**Net Profit/(Loss) after taxes, minority interest and share of profit of associates (11-12-13)**	**500.39**	**(1,854.73)**	**208.28**	**(4,097.01)**	**(956.76)**	**(3,997.70)**	**(3,230.39)**
15	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	1,094.17	1,094.17
16	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year	-	-	-	1,242.46	5,339.47	1,487.51	5,490.06
17.i	Earnings Per Share (before extraordinary items) (not annualised) (Rs.)							
	(a) Basic	4.57	(16.95)	1.90	(37.44)	(8.74)	(36.54)	(29.52)
	(b) Diluted	4.57	(16.95)	1.90	(37.44)	(8.74)	(36.54)	(29.52)
17.ii	Earnings Per Share (after extraordinary items) (not annualised) (Rs.)							
	(a) Basic	4.57	(16.95)	1.90	(37.44)	(8.74)	(36.54)	(29.52)
	(b) Diluted	4.57	(16.95)	1.90	(37.44)	(8.74)	(36.54)	(29.52)

PART-II **Select Information for the year ended 31st March, 2017**

A	PARTICULARS OF SHAREHOLDING					
1	Public shareholding:					
	No. of shares	4,030,647	4,030,647	4,030,647	4,030,647	4,030,647
	Percentage of shareholding	36.84	36.84	36.84	36.84	36.84
2	Promoters and Promoter Group Shareholding					
a)	Pledged/ Encumbered					
	- Number of shares	NIL	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total share capital of the Company)	NIL	NIL	NIL	NIL	NIL
b)	Non-encumbered					
	- Number of shares	6,911,020	6,911,020	6,911,020	6,911,020	6,911,020
	- Percentage of shares (as a % of the total shareholding of Promoter and Promoter group)	100	100	100	100	100
	- Percentage of shares (as a % of the total share capital of the Company)	63	63	63	63	63

B	INVESTOR COMPLAINTS	3 Months ended 31st March, 2017
	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

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Statement of Assets and Liabilities

(Rs. In Lacs.)

Particulars	Standalone		Consolidated	
	As at 31.03.2017 Audited	As at 31.03.2016 Audited	As at 31.03.2017 Audited	As at 31.03.2016 Audited
A EQUITY AND LIABILITIES				
1 Shareholders' Funds:				
(a) Share Capital	1,094.17	1,094.17	1,094.17	1,094.17
(b) Reserves and Surplus	1,242.46	5,339.47	1,487.51	5,490.06
(c) Money received against share warrants	-	-	-	-
Sub-total - Shareholders' funds	2,336.63	6,433.64	2,581.67	6,584.23
2 Share application money pending allotment	-	-	-	-
3 Minority interest	-	-	51.89	51.01
4 Non-current liabilities				
(a) Long-term borrowings	6,241.52	7,763.17	6,241.52	7,763.17
(b) Deferred tax liabilities (net)	-	-	5.40	7.15
(c) Other long-term liabilities	118.89	119.05	118.89	119.05
(d) Long-term provisions	3,474.53	3,071.18	3,474.53	3,071.18
Sub-total - Non-current liabilities	9,834.94	10,953.40	9,840.34	10,960.55
5 Current liabilities				
(a) Short-term borrowings	15,707.05	14,731.96	15,707.06	14,731.96
(b) Trade payables	5,544.95	7,329.82	5,450.97	7,249.98
(c) Other current liabilities	12,287.93	8,736.43	12,292.22	8,740.56
(d) Short-term provisions	302.03	516.42	304.98	516.42
Sub-total - Current liabilities	33,841.96	31,314.63	33,755.23	31,238.93
TOTAL - EQUITY AND LIABILITIES	**46,013.53**	**48,701.67**	**46,229.12**	**48,834.71**
B ASSETS				
1 Non-current assets				
(a) Fixed Assets	16,809.76	16,771.18	16,872.07	16,842.84
(b) Goodwill on consolidation	-	-	-	-
(c) Non-current investments	173.69	192.16	311.97	214.46
(d) Deferred tax assets (net)	-	-	-	-
(e) Long-term loans and advances	594.78	586.21	596.07	587.50
(f) Other non-current assets	-	7.97	-	7.97
Sub-total - Non-current assets	17,578.23	17,557.52	17,780.11	17,652.77
2 Current assets				
(a) Current investments	-	-	-	-
(b) Inventories	19,640.31	20,058.01	19,640.31	20,058.01
(c) Trade receivables	5,510.39	7,419.71	5,519.97	7,429.78
(d) Cash and cash equivalents	522.31	1,049.00	524.77	1,074.32
(e) Short-term loans and advances	2,091.59	2,169.38	2,091.95	2,169.74
(f) Other current assets	670.70	448.04	672.01	450.10
Sub-total - Current assets	28,435.30	31,144.15	28,449.01	31,181.95
TOTAL - ASSETS	**46,013.53**	**48,701.67**	**46,229.12**	**48,834.71**

Notes:

1 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on June 20, 2017.

2 The Board of Directors did not recommend any dividend payment to the members of the Company.

3 The figures of the quarter ended March 31, 2017 and for the corresponding quarter ended March 31, 2016 are the balancing figures in respect of standalone financial results between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the respective financial year ending on March.

4 The consolidated financial results have been prepared in accordance with Accounting Standard -21 on "Consolidated Financial Statements", Accounting Standard -23 on "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard -27 on "Financial Reporting of interest in Joint Ventures" and includes Company's subsidiaries, joint ventures and associates.

5 The operations of the company relate to single segment viz. Fasteners.

6 The Company has not recognized deferred tax asset amounting to Rs 2942.07 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.

7 The Company has disposed its entire holding of 49% i.e 1,84,749 Shares having book value of 18,47,490 in M/s LPS Bossard Information Technologies Private Limited on 18.04.2016 for INR 2,16,0823 at the profit of INR 3,13,333.
Further during the year the company also sold part of land measuring area 24,805 Square yards having book value of INR 30,27,356 to Universal Precision Screw for INR 1,44,87,500 at profit of INR 1,14,60,144.

8 Prior period items relate to advertisement, consumables, stores and other expenses in respect of common facilities relating to previous year.

9 Figures for the previous periods have been regrouped and reclassified to conform to the classification of the current period, wherever considered necessary.

10 The figures have been rounded off to the nearest lakh of rupees upto two decimal places.

FOR LAKSHMI PRECISION SCREWS LIMITED

Lalit Kumar Jain
Chairman & Managing Director
DIN:00061293

PLACE: ROHTAK
DATE: 20.06.2017

5/30

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

Auditor's Report on Quarterly Financial Results and Year to date Results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation , 2015.

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

1. We have Audited the quarterly financial results of Lakshmi Precision Screws Limited ('the Company') for the quarter ended 31st March, 2017 and the financial results for the year ended 31st March, 2017, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation , 2015.The quarterly financial results are the derived figures between the audited figures in respect of year ended 31st March, 2017 and published year-to-date figures upto 31st December ,2016, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The financial results for the quarter ended March 31st, 2017 and year to the date ended March 31st, 2017, have been prepared on the basis of the financial results for the nine month period ended December 31st, 2016, the audited annual financial statement as at and for the year ended March 31st, 2017 and the relevant requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our review of the financial results for the nine month period ended December 31st, 2016 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25 "Interim Financial Reporting", specified under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual financial statements as at and for the year ended March 31st, 2017; and the relevant requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free from material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the financial results. An audit also includes assessing the accounting principles used and significant estimates made by the management. We believe that our audit provides a reasonable basis for qualified opinion.

B M Chatrath & Co LLP Delhi

3.

(A) We are unable to observe physical inventories of Finished Goods, Semi-Finished Goods, Stock in Trade (Traded Goods) and Consumable 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 31st March, 2017. However, as explained by Management, physical verification of Inventories has been conducted at reasonable intervals internally on 'A' Category of Items and no material discrepancies were observed.

(B) The Company has capitalized the inventory of dies and tools having value of Rs.49,95,884/- during the current financial year. 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 of materials, services and capital goods aggregating to Rs. 12,22,06,531/- (previous year Rs. 14,61,43,791/-) were outstanding as on 31/03/2017. The confirmations from the 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) The company is not regular in depositing undisputed Statutory Dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Excise Duty, Value Added Taxes, Cess and several other Statuary Dues including interest thereon to the Appropriate Authorities. Arrears of outstanding statutory dues as on 31st March, 2017 for a period of more than 6 months from the date they become payable are Rs 21,93,19,373/-.

(E) The company has defaulted in repayment of principal and interest to Banks and Financial Institutions as on 31st March, 2017 of Rs 25,42,20,164/-.

(F) Balance 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.

(G) In respect of loans and advances of Rs. 55,00,000/- given to Hanumat Wires Udyog Private Limited, the Company has not furnished any agreement and in absence of

B M Chetrath & Co LLP Delhi

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the same, the terms of repayment, chargeability of interest and other terms are not verifiable.

(H) The Company has capitalized Borrowing Costs amounting to Rs. 5,54,36,971/- for the year ended 31st March, 2017 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 cost of Rs. 5,54,36,971/- should be charged to Statement of Profit and Loss and to that extent loss for the year is understated.

(I) 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 current 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 year is understated.

(J) 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.

The company also defaulted in filling of form DPT-3 "Return of Deposit" for the financial year 2014-15 & 2015-16. The Financial impact of such default is not quantifiable as on date of our Report.

(K) The Company has taken unsecured loans from Companies amounting to Rs.5,80,55,000/- which are outstanding as at the end of the year 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. One of the matter related to RCI Industries is under litigation in Punjab & Haryana High Court.

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(L) 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.

4. In our opinion and to the best of our information and according to the explanations given to us and subject to our observations in Para 3 above, these quarterly as well as the year to date results:

I. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation , 2015; and

II. give a true and fair view of the net loss and other financial information for the quarter ended and the year ended on March 31st , 2017.

Further, read with paragraph 1 above, we report that figures for the quarter ended March 31st,2017 represent the derived figures between the audited figures in respect of the financial year ended March 31st, 2017 and the published year-to-date figures upto December 31st, 2016, being the date of the end of the third quarter of the current financial year, which were subject to limited review as stated in paragraph 1 above, as required under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation , 2015.

For B.M. Chatrath & Co LLP

Chartered Accountants,

Firm Registration Number: 301011E

Bharat C. Swain
Partner

B M Chatrath & Co LLP Delhi

Membership No.: 501999
Place: New Delhi
Date: 20.06.2017

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Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with
Annual Audited Financial Results - (Standalone)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1. Turnover / Total income	2741262685	2741262685
2. Total Expenditure	3150963969	3220460282
3. Net Profit/(Loss)	-409701284	-479197597
4. Earnings Per Share	-37.44	-43.79
5. Total Assets	4601352892	4545915923
6. Total Liabilities	4367690151	4381749483
7. Net Worth	233662741	164166430
8. Any other financial item(s) (as felt appropriate by the management	0	0

1)a.	**Details of Audit Qualification: (As per Auditor's Report):** We are unable to observe physical inventories of Finished Goods, Semi-Finished Goods, Stock in Trade (Traded Goods) and Consumable 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 31st March, 2017. However, as explained by Management, physical verification of Inventories have been conducted at reasonable interval internally on A Category of Items and no material discrepancies were observed.
b.	**Type of Audit Qualification :** Qualified
c.	**Frequency of qualification:** Repetitive (since F.Y. 2014-15)
d.	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** NA
e.	**For Audit Qualification(s) where the impact is not quantified by the auditor:** (i) Management's estimation on the impact of audit qualification: At present the Company is not able to make estimation of this qualification. (ii) If Management is unable to estimate the impact, reasons for the same: The Company has initiated the process of physical verification of inventory of various categories like WIP, FG, Tools and Dies, consumables. Based on the physical verification, shortage/excess if any will be adjusted in financial accounts of F.Y. 2017-18. (iii) Auditors' Comments on (i) or (ii) above: The impact cannot be stated unless physical inspection of each item is carried out by the Company. This may have a significant impact on the accounts of the Company after such physical verification.

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2)a	**Details of Audit Qualification: (As per Auditor's Report)** The Company has capitalized the inventory of dies and tools having value of Rs.49,95,884 /- during the current financial year. However, no physical verification 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.
B	**Type of Audit Qualification :** Qualified
c.	**Frequency of qualification:** Repetitive (Since FY 2015-16)
d.	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** NA
e.	**For Audit Qualification(s) where the impact is not quantified by the auditor:** (i) Management's estimation on the impact of audit qualification: At present the Company is not able to make estimation of this qualification (ii) If Management is unable to estimate the impact, reasons for the same: The Company is in the process of conducting physical verification of tools and dies. Provision for shortage / excess will be made after completion of physical verification. (iii) Auditors' Comments on (i) or (ii) above: Impact can be provided only after physical verification of dies and tools is carried out. After physical verification, shortages may be observed in some items and obsolescence/ impairment in some items. Impact can only be ascertained after the physical verification.
3)a.	**Details of Audit Qualification: (As per Auditor's Report)** Certain advances of materials, services and capital goods aggregating to Rs. 12,22,06,531/- (previous year Rs. 14,61,43,791/-) were outstanding as on 31/03/2017. The confirmations from the 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.
b.	**Type of Audit Qualifications :** Qualified
c.	**Frequency of qualification:** Repetitive (since F.Y. 2014-15)
d.	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** NA
e.	**For Audit Qualification(s) where the impact is not quantified by the auditor:** (i) Management's estimation on the impact of audit qualification: At present the Company is not able to make estimation of this qualification (ii) If Management is unable to estimate the impact, reasons for the same The Company has started scrutiny of advances and necessary adjustment will be carried out

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	based on bills and other related documents during financial year 2017-18. If necessary, due provision will be made in the accounts for unrecoverable advances during F.Y 2017-18. (iii) Auditors Comments on (i) or (ii) above : The Company has given advances for materials and services amounting to Rs. 12,22,06,531/-. Confirmations from these parties have not been received. Further, few advances are very old and should be provided for. The management should classify such advances as doubtful where there is no movement in the last 3 years and no confirmation is available.
4)a.	**Details of Audit Qualification: (As per Auditor's Report)** The company is not regular in depositing undisputed Statutory Dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Excise Duty, Value Added Taxes, Cess and several other Statuary Dues including interest thereon to the Appropriate Authorities. Arrears of outstanding statutory dues as on 31st March, 2017 for a period of more than 6 months from the date they become payable are Rs 21,93,19,373/-.
b.	**Type of Audit Qualifications :** Qualified
c.	**Frequency of qualification:** First time
d.	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** Due to reduction in sales on account of slowdown in Automobile sector, cash generation is not enough to pay the dues fully. However, the Company is gradually clearing the dues.
e.	**For Audit Qualification(s) where the impact is not quantified by the auditor :** (i) Management's estimation on the impact of audit qualification: NA (ii) If Management is unable to estimate the impact, reasons for the same NA (iii) Auditors Comments on (i) or (ii) above : The Company should make payment of statutory dues on priority. Default in making payment of the same leads to Interest and penalty and is a case of non compliance.
5)a.	**Details of Audit Qualification: (As per Auditor's Report)** The company has defaulted in repayment of principal and interest to Banks and Financial Institutions as on 31st March, 2017 of Rs 25,42,20,164/-
b.	**Type of Qualification :** Qualified
c.	**Frequency of qualification** First Time
d.	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** Due to shortage of cash generation on account of reduction in sales arises out of slow down in Automobile Industry, the Company is not in a position to clear payment of loan installments. However, the Company is paying its loan installment/interest gradually.
e.	**For Audit Qualification(s) where the impact is not quantified by the auditor:** (i) Management's estimation on the impact of audit qualification: NA (ii) If Management is unable to estimate the impact, reasons for the same NA

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	(iii) Auditors Comments on (i) or (ii) above : The Company should intensify its efforts for increasing revenue and should be prompt in making payment of financial commitments.
6)a.	**Details of Audit Qualification: (As per Auditor's Report):** 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.
b.	**Type of Audit Qualification :** Qualified
c.	**Frequency of qualification** Repetitive (since 2015-16)
d.	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** NA
e.	**For Audit Qualification(s) where the impact is not quantified by the auditor:** (i) Management's estimation on the impact of audit qualification: At present the Company is not able to make estimation of this qualification (ii) If Management is unable to estimate the impact, reasons for the same The Company has initiated the process of getting confirmation from sundry debtors /sundry creditors. Currently excesses or shortages in the balances in the books are not ascertainable, however the Company will make provision whenever any differences identified after receipt of confirmations from debtors / creditors (iii) Auditors' Comments on (i) or (ii) above The said exercise is a necessary internal control process. The debtors and creditors reconciliation system is not effective and necessary entries should be passed after reconciliation of debtors and creditors/ loans and advances/ unsecured loans
7)a.	**Details of Audit Qualification: (As per Auditor's Report):** In respect of loans and advances of Rs. 55,00,000/- given to Hanumat Wires Udyog Private Limited, the Company has not furnished any agreement and in absence of the same, the terms of repayment, chargeability of interest and other terms are not verifiable.
b.	**Type of Audit Qualification :** Qualified
c.	**Frequency of qualification:** First Time
d.	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** Interest has been charged at the market rates. The loan agreement is being executed and shall be furnished after execution.
e.	**For Audit Qualification(s) where the impact is not quantified by the auditor:** (i) Management's estimation on the impact of audit qualification: NA (ii) If Management is unable to estimate the impact, reasons for the same: NA (iii)Auditors' Comments on (i) or (ii) above: The loans and advances given to M/s Hanumat Wires Udyog Private Limited, a related party are outstanding for more than a year. The Company should prepare a loan agreement stating the repayment period.
8)a.	**Details of Audit Qualification: (As per Auditor's Report):** The Company has capitalized Borrowing Costs amounting to Rs.5,54,36,971/- for the year ended 31st March,

	2017 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. 5,54,36,971/- should be charged to the Statement of Profit and Loss and to that extent the loss for the year is understated.
b.	**Type of Audit Qualification :** Qualified
c.	**Frequency of qualification:** First Time
d.	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** The Company has taken loan from HSIIDC for financing land and building & machinery. Currently the project is under construction phase and due to this fact the Company has capitalised borrowing cost incurred during F.Y. 16-17. Accordingly, borrowing cost amounting to Rs. 5,54,36,971/- has been capitalised.
e.	**For Audit Qualification(s) where the impact is not quantified by the auditor:** (i) Management's estimation on the impact of audit qualification: NA (ii) If Management is unable to estimate the impact, reasons for the same: NA (iii) Auditors' Comments on (i) or (ii) above: During the year, no significant construction/development have been carried out and the treatment of finance cost is not in accordance with Accounting Standard-16 "Accounting for Borrowing Costs." Further, machinery acquired for the new project have already been installed in Plant II of the Company and put to use in the earlier years.
9)a.	**Details of Audit Qualification: (As per Auditor's Report)** 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 current 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 year is understated.
b.	**Type of Audit Qualification :** Qualified
c.	**Frequency of qualification:** Repetitive (Since 2015-16)
d.	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** The Company is in advance stage of settlement with ex employee in this case where he has agreed with the company to refund money to the company however legal proceedings are yet to be completed for this settlement that is the reason company is not in a position to make any provision. Company will make provision for any short recovery after completion of settlement proceedings.
e.	**For Audit Qualification(s) where the impact is not quantified by the auditor:** (i) Management's estimation on the impact of audit qualification: NA (ii) If Management is unable to estimate the impact, reasons for the same: NA (iii) Auditors' Comments on (i) or (ii) above: The case relates to recovery of Rs. 1,60,59,342/- from an ex-employee of the Company who has committed fraud in the F.Y. 2005-06. Only Rs. 20 lacs has been recovered so far. The case is pending since then and the Company should classify the amount as doubtful.
10) a.	**Details of Audit Qualification: (As per Auditor's Report)**

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	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.
b.	**Type of Audit Qualification :** Qualified
c.	**Frequency of qualification:** Repetitive (since F.Y. 2014-15)
d.	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** NA
e.	**For Audit Qualification(s) where the impact is not quantified by the auditor:** (i) Management's estimation on the impact of audit qualification: At present the Company is not able to make estimation of this qualification. (ii) If Management is unable to estimate the impact, reasons for the same: The Company has taken steps for repayment of advances from customers beyond 365 days. Accordingly Company will file application to CLB for repayment of these advances seeking time for clearing these advances either through repayment or adjustment against supplies. (iii)Auditors' Comments on (i) or (ii) above: The Company is in violation of Section 73 of the Companies Act, 2013 read together with Companies (Acceptance of Deposits) Rule, 2014. The same should be regularised in accordance with the legal provisions of the Companies Act, 2013.
11)a.	**Details of Audit Qualification: (As per Auditor's Report):** The Company has taken unsecured loans from Companies amounting to Rs.5,80,55,000/- which are outstanding as at the end of the year 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. One of the matter related to RCI Industries is under litigation in Punjab & Haryana High Court.
b.	**Type of Audit Qualification :** Qualified
c.	**Frequency of qualification:** Repetitive (since F.Y. 2014-15)
d.	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** NA
e.	**For Audit Qualification(s) where the impact is not quantified by the auditor:** (i) Management's estimation on the impact of audit qualification: At present the Company is not able to make estimation of this qualification (ii) Management is unable to estimate the impact, reasons for the same: The Company has taken unsecured loans which are repayable on demand. The loan documents are being executed and shall be furnished after execution. (iii)Auditors' Comments on (i) or (ii) above: In absence of confirmation of unsecured loans, interest, terms of repayment cannot be commented upon and verified. There may be adjustments which may be required in accounts after confirmation of such loans. The effect thereof cannot be quantified pending confirmations.
12)a.	**Details of Audit Qualification: (As per Auditor's Report):** 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

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	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.
b.	**Type of Audit Qualification :** Qualified
c.	**Frequency of qualification:** Repetitive (since F.Y.2011-12 except for F.Y. 2013-14)
d.	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** NA
e.	**For Audit Qualification(s) where the impact is not quantified by the auditor:** (i) Management's estimation on the impact of audit qualification: At present the Company is not able to make estimation of this qualification. (ii) Management is unable to estimate the imapact, reasons for the same Due to large number of items and sizes, it is not feasible to find out item wise cost. Hence, the cost is determined on per metric ton basis based on the cost data or material services and overheads which is compared with the specified percentage of the list price of individual items. The value at specified percentage of list price being lower, the amount has been taken for valuation of inventory on closing date of the year. (iii) Auditors' Comments on (i) or (ii) above: Considering the size of the inventory, the Company should implement cost records. Valuation of inventory at list price less a specified percentage involves approximation and the cost of inventory should be determined on exact cost basis after implementing standard costing and a suitable ERP system which incorporates above.

	Signatories:
	CEO/Managing Director :
	CFO :
	Audit Committee Chairman :
	Statutory Auditor : B.M. Chaturvedi & Co. LLP Sunil Jha M.N. 543805
	Place : Delhi LLPIN : AAJ-0682 Date : 20th June, 2017

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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

Auditor's Report on Consolidated Year to date Results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

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

1) We have Audited the yearly consolidated financial results of Lakshmi Precision Screws Limited (hereinafter referred to as "the Holding Company") its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates, for the year ended March 31st, 2017, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. The Consolidated Financial Results for the year ended March 31st,2017 have been prepared on the basis of relevant requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation , 2015 and are the responsibility of the Company's management and have been approved by the the Board of Directors of the Company. Our responsibility is to express an opinion on these consolidated financial results based on our audit of the annual consolidated financial statement as at and for the year ended March 31st, 2017 which were prepared in accordance with applicable accounting standards and other accounting principles generally accepted in India and relevant requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation , 2015.

2) We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free from material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by the management. We believe that our audit provides a reasonable basis for qualified opinion.

3)

a) We are unable to observe physical inventories of Finished Goods, Semi-Finished Goods, Stock in Trade (Traded Goods) and Consumable 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 31st March, 2017. However, as explained by Management, physical verification of Inventories has been conducted at

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reasonable interval internally on 'A' Category of Items and no material discrepancies were observed.

b) The Holding Company has capitalized inventory of dies and tools having a value of Rs.49,95,884/- during the current financial year. 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. 12,22,06,531/- (previous year Rs. 14,61,43,791/-) were outstanding as on 31/03/2017. The confirmations from parties to whom these advances are given have 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) The holding company is not regular in depositing undisputed Statutory Dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Excise Duty, Value Added Taxes, Cess and several other Statuary Dues including interest thereon to the Appropriate Authorities. Arrears of outstanding statutory dues as on 31st March, 2017 for a period of more than 6 months from the date they become payable are Rs 21,93,19,373/-.

e) The holding company has defaulted in repayment of principal and interest to Banks and Financial Institutions as on 31st March, 2017 of Rs 25,42,20,164/-.

f) Balances under Sundry Debtors and Sundry Creditors, loans and advances given by the Holding 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.

g) In respect of loans and advances of Rs. 55,00,000/- given to Hanumat Wires Udyog Private Limited, the Holding Company has not furnished any agreement and in absence of the same, the terms of repayment, chargeability of interest and other terms are not verifiable.

h) The Holding Company has capitalized Borrowing Costs amounting to Rs. 5,54,36,971/- for the year ended 31st March, 2017 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. 5,54,36,971/- should be charged to the Statement of Profit and Loss and to that extent the loss for the year is understated.

i) A fraud of Rs. 1,60,59,342/- was reported during the Financial Year 2005- 06 incurred by an ex-employee of the Holding Company which is under litigation and pending before the Hon'ble Delhi High Court. During the current financial year,

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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 year is understated.

j) The Holding 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 Holding Company is in violation of the same.

k) The Holding Company has taken unsecured loans from Companies amounting to Rs.5,80,55,000/- which are outstanding as at the end of the year 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. One of the matter related to RCI Industries is under litigation in Punjab & Haryana High Court.

l) As per the accounting policy of the Holding Company, the Holding 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.

m) The figures of the Subsidiary Company and Associate Companies have been incorporated, in the Consolidated Financial Statements based on their provisional financial statements whose un-audited financial statements as approved by the respective Board of directors, have been furnished to us. Since the audited figures in the financial statements of aforesaid Companies are not available, the impact thereof on the Consolidated Financial Statements is not ascertainable and hence cannot be quantified.

n) We did not audit the financial statements/ Financial Information of Indian Fasteners Limited, subsidiary, whose financial statements/financial information reflect total asset of Rs. 1,99,76,973/- as at 31st March, 2017, total revenues of Rs. 16,49,482/-

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and net cashflows of (Rs. 26,423/-) for the year ended on that date, as considered in consolidated financial statements. These Financial Statements/ Financial Information are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statement, in so far as it relates to the amount and disclosures included in respect of the subsidiary and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on unaudited financial statement/ financial information.

o) We did not audit the financial statements/ financial information of J.C. Fasteners Limited, Hanumat Wires Udyog Private Limited and Lakshmi Extrusions Limited, the associates, whose share of net profit/ loss of Rs. 1,01,78,477/- for the year ended March 31, 2017 is considered in the consolidated financial statements. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the associates, is based solely on such unaudited financial statements / financial information.

p) We did not audit the financial statements / financial information of LPS Bossard Information Systems Private Limited, the jointly controlled entity upto 18th April, 2016, whose financial statements / financial information reflect total revenues of Rs.Nil for the period ended as on 18th April 2016, as considered in the consolidated financial statements.
These financial statements / financial information of the jointly controlled entity is unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these jointly controlled entities, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the jointly controlled entities, is based solely on such unaudited financial statements / financial information.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the financial statements/ financial information certified by the Management.

4) In our opinion and to the best of our information and according to the explanations given to us and subject to our observation in Para 3 above, these consolidated financial results as well as the year to date results:
   a. Include the year to date financial results of the following entities:

Sr. No.	Company Name	Nature
	Lakshmi Precision Screws Limited	Holding Company
	Subsidiaries	
	Indian Fasteners Limited	67.295% held by Lakshmi Precision Screws Limited

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	Associates	
	Hanumat Wire Udhog Private Limited	23.25% held by Lakshmi Precision Screws Limited
	J. C. Fasteners Limited Lakshmi Extrusions Limited	42.81% held by Lakshmi Precision Screws Limited
	Lakshmi Extrusions Limited	45% held by Lakshmi Precision Screws Limited

*Only Statement of Profit and Loss has been considered

b. have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation , 2015; and

c. give a true and fair view of the net loss and other financial information for the quarter ended and year ended on March 31st, 2017.

For B.M. Chatrath & Co. LLP

Chartered Accountants,

Firm Registration Number: 301011E

Bharat C. Swain
Partner

Membership No.: 501999
Place: New Delhi
Date: 20.06.2017

B M Chatrath & Co LLP Delhi

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Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with
Annual Audited Financial Results - (Consolidated)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1. Turnover / Total income	2741263694	2741263694
2. Total Expenditure	3140945714	3210442027
3. Net Profit/(Loss)	-399769521	-469265834
4. Earnings Per Share	-36.54	-42.89
5. Total Assets	4622912047	4567475076
6. Total Liabilities	4364744842	4378804184
7. Net Worth	258167199	188670892
8 Any other financial item(s) (as felt appropriate the Management)	0	0

1)	a.	**Details of Audit Qualification(As per Auditor's Report)** We are unable to observe physical inventories of Finished Goods, Semi-Finished Goods, Stock in Trade (Traded Goods) and Consumable 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 31st March, 2017. However, as explained by Management, physical verification of Inventories have been conducted at reasonable interval internally on A Category of Items and no material discrepancies were observed.
	b	**Type of Audit Qualification :** Qualified
	c	**Frequency of qualification:** Repetitive (since F.Y. 2014-15)
	d	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** NA
	e.	**For Audit Qualification(s) where the impact is not quantified by the auditor:** (i) Management's estimation on the impact of audit qualification: At present the Company is not able to make estimation of this qualification. (ii) If Management is unable to estimate the impact, reasons for the same: The Company has initiated the process of physical verification of inventory of various categories like WIP, FG, Tools and Dies, consumables. Based on the physical verification, shortage/excess if any will be adjusted in financial accounts of F.Y. 2017-18. (iii) Auditors' Comments on (i) or (ii) above: The impact cannot be stated unless physical inspection of each item is carried out by the Company. This may have a significant impact on the accounts of the Company after such physical verification.
2)	a	**Details of Audit Qualification: (As per Auditor's Report):** The Holding Company has capitalized inventory of dies and tools having a value of Rs.49,95,884/- during the current financial year. 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.
	b.	**Type of Audit Qualification :** Qualified

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	c.	**Frequency of qualification:** Repetitive (Since FY 2015-16)
	d.	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** NA
	e.	**. For Audit Qualification(s) where the impact is not quantified by the auditor:** (i) Management's estimation on the impact of audit qualification: At present the Company is not able to make estimation of this qualification (ii) If Management is unable to estimate the impact, reasons for the same: The Company is in the process of conducting physical verification of tools and dies. Provision for shortage / excess will be made after completion of physical verification. (iii) Auditors' Comments on (i) or (ii) above: Impact can be provided only after physical verification of dies and tools is carried out. After physical verification, shortages may be observed in some items and obsolescence/ impairment in some items. Impact can only be ascertained after the physical verification.
3)	a	**Details of Audit Qualification: (As per Auditor's Report)** Certain advances of materials, services and capital goods aggregating to Rs. 12,22,06,531/- (previous year Rs. 14,61,43,791/-) were outstanding as on 31/03/2017. The confirmations from the 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.
	b.	**Type of Audit Qualifications** : Qualified
	c.	**Frequency of qualification**: Repetitive (since F.Y. 2014-15)
	d.	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views**: NA
	e.	**For Audit Qualification(s) where the impact is not quantified by the auditor,** (i) Management's estimation on the impact of audit qualification: At present the Company is not able to make estimation of this qualification (ii) If Management is unable to estimate the impact, reasons for the same The Company has started scrutiny of advances and necessary adjustment will be carried out based on bills and other related documents during financial year 2017-18. If necessary, due provision will be made in the accounts for unrecoverable advances during F.Y 2017-18. (iii) Auditors Comments on (i) or (ii) above : The Company has given advances for materials and services amounting to Rs. 12,22,06,531/-. Confirmations from these parties have not been received. Further, few advances are very old and should be provided for. The management should classify such advances as doubtful where there is no movement in the last 3 years and no confirmation is available.
4)	a	**Details of Audit Qualification: (As per Auditor's Report)** The Holding Company is not regular in depositing undisputed Statutory Dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Excise Duty, Value Added Taxes, Cess and several other Statuary Dues including interest thereon to the Appropriate Authorities. Arrears of outstanding statutory dues as on 31st March, 2017 for a period of more than 6 months from the date they become payable are Rs. 21,93,19,373/-.

	b	**Type of Audit Qualifications** : Qualified
	c	**Frequency of qualification**: First time
	d	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views**: Due to reduction in sales on account of slowdown in Automobile sector, cash generation is not enough to pay the dues fully. However, the Company is gradually clearing the dues.
	e	**For Audit Qualification(s) where the impact is not quantified by the auditor,** (i) Management's estimation on the impact of audit qualification NA (ii) If Management is unable to estimate the impact, reasons for the same NA (iii) Auditors Comments on (i) or (ii) above : The Company should make payment of statutory dues on priority. Default in making payment of the same leads to Interest and penalty and is a case of non compliance.
5)	a	**Details of Audit Qualification: (As per Auditor's Report)** The Holding company has defaulted in repayment of principal and interest to Banks and Financial Institutions as on 31st March, 2017 of Rs 25,42,20,164/-
	b	**Type of Qualification** : Qualified
	c	**Frequency of qualification** First Time
	d	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views**: Due to shortage of cash generation on account of reduction in sales arises out of slow down in Automobile Industry, the Company is not in a position to clear payment of loan installments. However, the Company is paying its loan installment/interest gradually
	e	**For Audit Qualification(s) where the impact is not quantified by the auditor,** (i) Management's estimation on the impact of audit qualification: NA (i) If Management is unable to estimate the impact, reasons for the same NA (ii) Auditors Comments on (i) or (ii) above : The Company should intensify its efforts for increasing revenue and should be prompt in making payment of financial commitments.

6)	a.	**Details of Audit Qualification: (As per Auditor's Report)** 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.
	b	**Type of Audit Qualifications** : Qualified
	c	**Frequency of qualification**: Repetitive (since 2015-16)
	d	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views**: NA
	e	**For Audit Qualification(s) where the impact is not quantified by the auditor:** (i) Management's estimation on the impact of audit qualification: At present the Company is not able to make estimation of this Qualification. (ii) If Management is unable to estimate the impact, reasons for the same The Company has initiated the process of getting confirmation from sundry debtors /sundry creditors. Currently excesses or shortages in the balances in the books are not ascertainable, however the Company will make provision whenever any differences identified after receipt of confirmations from debtors / creditors (iii) Auditors' Comments on (i) or (ii) above The said exercise is a necessary internal control process. The debtors and creditors reconciliation system is not effective and necessary entries should be passed after reconciliation of debtors and creditors/ loans and advances/ unsecured loans
7	a	**Details of Audit Qualification: (As per Auditor's Report)4** In respect of loans and advances of Rs. 55,00,000/- given to Hanumat Wires Udyog Private Limited, the Holding Company has not furnished any agreement and in absence of the same, the terms of repayment, chargeability of interest and other terms are not verifiable.
	b	**Type of Audit Qualification** : Qualified
	c	**Frequency of qualification**: First Time
	d	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** Interest has been charged at the market rates. The loan agreement is being executed and shall be furnished after execution.

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	e	**For Audit Qualification(s) where the impact is not quantified by the auditor:** NA (i) Management's estimation on the impact of audit qualification: NA (ii) If Management is unable to estimate the impact, reasons for the same: NA (iii) Auditors' Comments on (i) or (ii) above: The loans and advances given to M/s Hanumat Wires Udyog Private Limited, a related party are outstanding for more than a year. The Company should prepare a loan agreement stating the repayment period.
8	a	**Details of Audit Qualification: (As per Auditor's Report)** The Holding Company has capitalized Borrowing Costs amounting to Rs.5,54,36,971/- for the year ended 31st March, 2017 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. 5,54,36,971/- should be charged to the Statement of Profit and Loss and to that extent the loss for the year is understated.
	b	**Type of Audit Qualification** : Qualified
	c	**Frequency of qualification**: First Time
	d	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views**: The Company has taken loan from HSIIDC for financing land and building & machinery. Currently the project is under construction phase and due to this fact the Company has capitalised borrowing cost incurred during F.Y. 16-17. Accordingly, borrowing cost amounting to Rs. 5,54,36,971/- has been capitalised
	e	**For Audit Qualification(s) where the impact is not quantified by the auditor**: NA (i) Management's estimation on the impact of audit qualification: NA (ii) If Management is unable to estimate the impact, reasons for the same: NA (iii) Auditors' Comments on (i) or (ii) above: During the year, no significant construction/development have been carried out and the treatment of finance cost is not in accordance with Accounting Standard-16 "Accounting for Borrowing Costs." Further, machinery acquired for the new project have already been installed in Plant II of the Company and put to use in the earlier years.
9	a	**Details of Audit Qualification: (As per Auditor's Report)** A fraud of Rs. 1,60,59,342/- was reported during the Financial Year 2005- 06 incurred by an ex-employee of the Holding Company which is under litigation and pending before the Hon'ble Delhi High Court. During the current 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 year is understated.

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	b	**Type of Audit Qualification** : Qualified
	c	**Frequency of qualification**: Repetitive (Since 2015-16)
	d	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views**: The Company is in advance stage of settlement with ex employee in this case where he has agreed with the company to refund money to the company however legal proceedings are yet to be completed for this settlement that is the reason company is not in a position to make any provision. Company will make provision for any short recovery after completion of settlement proceedings.
	e	**For Audit Qualification(s) where the impact is not quantified by the auditor**: (i) Management's estimation on the impact of audit qualification: NA (ii) If Management is unable to estimate the impact, reasons for the same: NA (iii) Auditors' Comments on (i) or (ii) above: The case relates to recovery of Rs. 1,60,59,342/- from an ex-employee of the Company who has committed fraud in the F.Y. 2005-06. Only Rs. 20 lacs has been recovered so far. The case is pending since then and the Company should classify the amount as doubtful.
10	a	**Details of Audit Qualification: (As per Auditor's Report)** The Holding 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.
	b	**Type of Audit Qualification** : Qualified
	c	**Frequency of qualification:** Repetitive **(since F.Y.** 2014-15)
	d	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views**: NA
	e	**For Audit Qualification(s) where the impact is not quantified by the auditor:** (i) Management's estimation on the impact of audit qualification: At present the Company is not able to make estimation of this qualification. (ii) If Management is unable to estimate the impact, reasons for the same: The Company has taken steps for repayment of advances from customers beyond 365 days. Accordingly Company will file application to CLB for repayment of these advances seeking time for clearing these advances either through repayment or adjustment against supplies. (iii) Auditors' Comments on (i) or (ii) above: The Company is in violation of Section 73 of the Companies Act, 2013 read together with Companies (Acceptance of Deposits) Rule, 2014. The same should be regularised in accordance with the legal provisions of the Companies Act, 2013.

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11	a	**Details of Audit Qualification: (As per Auditor's Report)** The Holding Company has taken unsecured loans from Companies amounting to Rs.5,80,55,000/- which are outstanding as at the end of the year 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. One of the matter related to RCI Industries is under litigation in Punjab & Haryana High Court
	b	**Type of Audit Qualification** : Qualified
	c	**Frequency of qualification**: Repetitive (since F.Y. 2014-15)
	d	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views**: NA
	e	**For Audit Qualification(s) where the impact is not quantified by the auditor:** (i) Management's estimation on the impact of audit qualification: At present the Company is not able to make estimation of this qualification (ii) If Management is unable to estimate the impact, reasons for the same: The Company has taken unsecured loans which are repayable on demand. The loan documents are being executed and shall be furnished after execution. (iii) Auditors' Comments on (i) or (ii) above: In absence of confirmation of unsecured loans, interest, terms of repayment cannot be commented upon and verified. There may be adjustments which may be required in accounts after confirmation of such loans. The effect thereof cannot be quantified pending confirmations.
12	a	**Details of Audit Qualification: (As per Auditor's Report)** 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.
	b	**Type of Audit Qualification** : Qualified
	c	**Frequency of qualification**: Repetitive (since F.Y.2011-12 except for F.Y. 2013-14)
	d	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views**: NA
	e	**For Audit Qualification(s) where the impact is not quantified by the auditor:** (i) Management's estimation on the impact of audit qualification:

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		At present the Company is not able to make estimation of this qualification. (ii) Management is unable to estimate the imapact, reasons for the same Due to large number of items and sizes, it is not feasible to find out item wise cost. Hence, the cost is determined on per metric ton basis based on the cost data or material services and overheads which is compared with the specified percentage of the list price of individual items. The value at specified percentage of list price being lower, the amount has been taken for valuation of inventory on closing date of the year. (iii) Auditors' Comments on (i) or (ii) above: Considering the size of the inventory, the Company should implement cost records. Valuation of inventory at list price less a specified percentage involves approximation and the cost of inventory should be determined on exact cost basis after implementing standard costing and a suitable ERP system which incorporates above.
13	a	**Details of Audit Qualification: (As per Auditor's Report)** The figures of the Subsidiary Company and Associate Companies have been incorporated in the Consolidated Financial Statements based on their provisional financial statements whose un-audited financial statements as approved by the respective Board of Directors have been furnished to us. Since the audited figures in the financial statements of the aforesaid companies are not available, the impact thereof on the Consolidated Financial Statements is not ascertainable and hence cannot be quantified.
	b	**Type of Audit Qualification** : Qualified
	c	**Frequency of qualification :** Repetitive (since F.Y 2011-12 except for F.Y. 2013-14)
	d	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's views:** NA

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e	**For Audit Qualification(s) where the impact is not quantified by the auditor:** (i) Management's estimation on the impact of audit qualification : The impact cannot be ascertained due to unavailability of audited financial statements. (ii) If Management is unable to estimate the impact, reasons for the same : The accounts of the Holding Company are finalized in accordance with the requirements of the Listing agreement since the Holding Company is a listed entity. The Subsidiary Company, Joint ventures and Associates are unlisted entities and therefore the accounts are finalized and audited at a later date. Therefore, audited financial statements of these companies are not available. Consolidation is done on the basis of the provisional financial statements as approved by the respective Board of Directors. (iii) Auditor's Comments on (i) or (ii) above In absence of audited financial statements of Subsidiary Company, Joint Ventures and Associates, consolidation is done on the basis of provisional financial statements as approved by the respective Board of Directors. The same may have a substantial impact on financial statements. Therefore, in our opinion, the same should be consolidated on the basis of their audited financial statements	
III	**Signatories:**	
	CEO / Managing Director :	
	CFO :	
	Audit Committee Chairman :	
	Statutory Auditor : B.M. Chhabra & Co. LLP IN : AAT-0682	Sumit Jain M:N- 543805
	Place: Delhi	
	Date:	

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