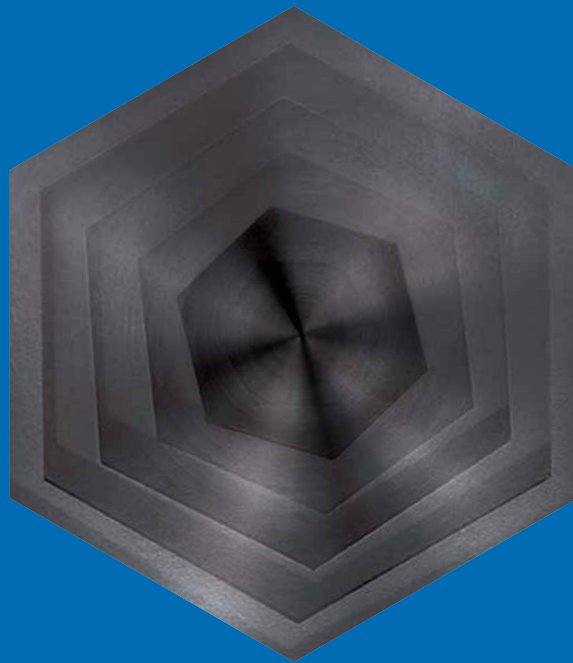
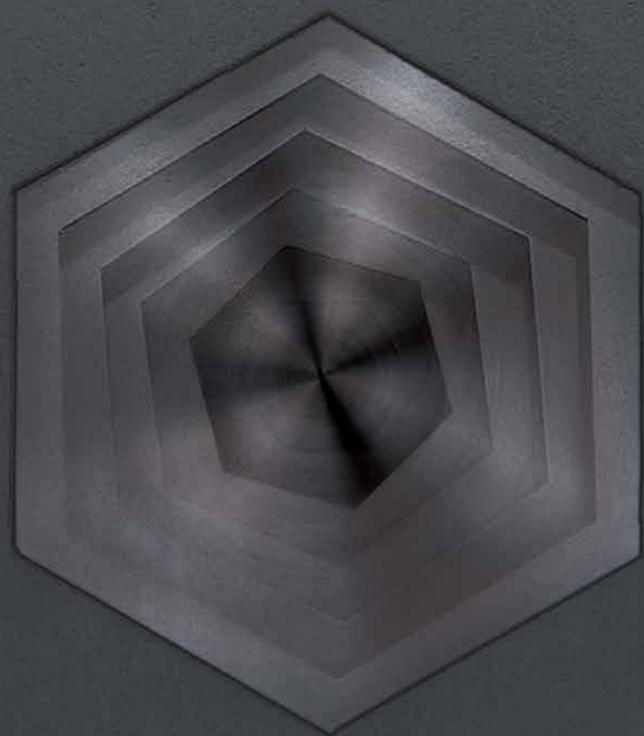




ANNUAL REPORT 2016-2017



DRIVING GROWTH
CREATING VALUES



INDEX

06

ABOUT

LPS

06 Company information

08 Corporate Profile

12 CMD's message

14

BY THE

BOARD

14 Board's Report

71 Annexure to the Board's Report





72

STANDALONE FINANCIAL STATEMENTS

- 74 Independent Auditors' Report
- 78 Annexure -A to Independent Auditors' Report
- 82 Annexure -B to Independent Auditors' Report
- 90 Balance Sheet
- 91 Statement of Profit and Loss
- 92 Cash Flow Statement
- 94 Notes to financial statements (1 to 33)

132

CONSOLIDATED FINANCIAL STATEMENTS

- 134 Independent Auditors' Report on consolidated Accounts
- 139 Annexure to Independent Auditors' Report on consolidated Accounts
- 147 Consolidated Balance Sheet
- 148 Consolidated Statement of Profit and Loss
- 149 Consolidated Cash Flow Statement
- 151 Consolidated Notes to Financial Statements (1 to 34)







COMPANY
INFORMATION

BOARD OF DIRECTORS

Shri Lalit Kumar Jain
Chairman & Managing Director

Shri Dinesh Kumar Jain
Vice Chairman & Managing Director

Shri Vijay Kumar Jain
Joint Managing Director

Shri Rajesh Jain
Director

Smt. Sushila Devi Jain
Director

Shri Ravi Shankar Sharma
Director

Shri Bijendra Singh
Director

Shri Madhav Roy
Director

Shri Kailash Sarup Bhatnagar
Director

Shri Saumitra Choudhury
Director

CHIEF FINANCIAL OFFICER

Shri Kanai Lal Ghorui

COMPANY SECRETARY & COMPLIANCE OFFICER

Shri Santosh Sharma

STATUTORY AUDITORS

M/s. B.M. Chatrath & Co. LLP
Chartered Accountants, Noida

COST AUDITORS

M/s. HMVN Associates
Cost Accountants, Delhi

REGISTRAR AND SHARE TRANSFER AGENT

M/s. MCS Share Transfer Agent Ltd.
F – 65, 1st Floor
Okhla Industrial Area, Phase – I
New Delhi – 110 020
Tel: 011 – 41406149

BANKERS

Canara Bank, Rohtak
State Bank of India, New Delhi

REGD. OFFICE & FACTORY

46/1, Mile Stone, Hissar Road
Rohtak – 124 001 (Haryana)
Tel: 01262 – 248790 & 248289
Fax: 01262 – 248297

CORPORATE OFFICE

501 A & 501 B
5th Floor, Tower-A
Millennium Plaza, Gurgaon
Tel:0124 – 4200492

BRANCH OFFICES

146, New Cycle Market
Jhandewalan Extension
New Delhi – 110 055
Tel: 011 – 23527642

153-Wing-A, Mittal Tower
Nariman Point
Mumbai – 400 021
Tel: 022 – 40025861

305-A, Mittal Tower
3rd Floor, M.G. Road
Bangalore – 560 001
Tel: 080 – 25588587

502, 5th Floor
Melange Towers Cosmos
Opp. Atlas Copco, Mumbai
Pune Road, Kasar Wadi
Pune – 411 034
M: 09822041577

H-10, Abhishek Estate
Near Asarwa bridge
Haripura Bus-stand
Civil Road, Asarwa
Ahmedabad – 380 016
Phone : 079-22173399

A high-contrast, black and white photograph of a hand holding a bolt. The hand is positioned in the center, with the fingers gripping the bolt. The bolt is held vertically, with the head at the top and the threaded shaft pointing downwards. The background is a bright, circular light source, creating a strong silhouette effect on the hand and the bolt. The lighting highlights the texture of the hand and the metallic surface of the bolt. A large, dark blue diagonal shape overlays the right side of the image, extending from the top right corner towards the bottom left. In the upper left corner, there is a vertical yellow bar followed by the text 'COMPANY PROFILE' in white, uppercase letters.

COMPANY
PROFILE

“

LPS Vision is to provide world class fastening solutions and components for our customers through competitive pricing, performance, superior quality, safety and environmental care.

”

CORPORATE PROFILE

Lakshmi Precision Screws Ltd. was incorporated on 27th December, 1968, bearing CIN:L35999HR1968PLC004977 at Rohtak, (Haryana). The fastening technology is the core business and customer services is the guiding principle. The Company's area of operation, comprises of four manufacturing units spread across an area of about 1,00,000 sqm. With gross block of Fixed Assets of Rs. 3665 million supported by 954 highly dedicated professionals driven with zeal to make world class products under the leadership of a dynamic management team. As on March 31, 2017 the turnover of Company was ₹.259 crores (both domestic & export turnover).

The installed capacity of the Company is 28432 metric ton per annum and is supported by a host of ancillaries. The Company assures that it follows the best standards and practices to make it's product safe and reliable for customer's assembly line. The Company is committed to improve it's products to meet the ever-increasing expectations of the customers and is always obliged for their continuous guidance and patronage.

MISSION STATEMENT

Creating value for our customers and shareholders, we will use our expertise to create fastening solutions and components of superior quality with safety and environmental care for our esteemed customers in selected segments. At LPS we will work with energy, passion and respect for the individuals.



COMPANY
VALUES



CHAIRMAN'S MESSAGE



Dear Shareholders,

It is my great privilege and honor in welcoming you all in this the 48th Annual General Meeting of Lakshmi Precision Screws Limited.

The year 2016-17 has been slow by global downturn; the world economy is facing considerable uncertainties after major economic and political development and pressure on protectionism at Global level. However, we had performed competitively to register moderate growth and have overcome challenges, in the way to success. We expect that due to implementation of AMP 2016-26 our country will be among the world's top three auto-producers by 2026. Indian Automotive industry is expected to contribute in excess of 12% of India's GDP and will create 65 million additional Job by the year 2026 and definitely we expect that your own Company will also grow in the same pace, in spite of facing of temporarily hurdle on account of liquidity problem, as your company established name in the market and has enough strength in terms of product range, capacity and high standards for quality to face the competition and financial crunches.

The Government of India has taken various steps and reforms to boost investment in various Sectors in order to transform India into global manufacturing hub like Make in India, Starts up India & Stand up India, Indirect Tax reforms since Independence by passing Goods and Service Tax Law (GST) and firmly decided for its implementation with effect from July 01, which will make India as a market where one country one tax concept become true, which is expected to decrease inflation and make goods for common man cheaper, and attract FDI boost Auto Sector Industry as well as generate new employment both in manufacturing and Service sector.

The latest budget the growth rate of India was 6.1 percent year-on-year, slowing sharply from a 7 percent expansion in the previous period in the year 2016 and well below market expectations of 7.1 percent. It was the lowest growth rate since the last quarter of 2014, due to a slowdown in consumer spending and a drop in investment, following the demonetization program of the Government of India for curbing black money. India's CAD has also come down to around 0.3 percent of GDP in first half of 2016-17 as against 1 percent of GDP in previous year 2015-16.

Auto industry has attracted Foreign Direct Investment (FDI) worth US\$ 15.79 billion during the period April, 2000 to September, 2016, according to data released by Department of Industrial Policy and Promotion (DIPP).

India is currently the sixth largest producer in the world with an average annual production of 24 million vehicles, of which 3.64 million are exported and as per AMP 2016-26 it will be among the world's top three auto-producers by 2026. Indian Automotive industry is expected to contribute in excess of 12% of India's GDP and will create 65 million Additional Job by the year 2026.

India has implemented Bharat Stage –IV (BS IV) emission norms with effect from April 01, 2017. AMP-2026 set the target that BS-V emission norms may be adopted by India in year 2019 for new models and BS-Vi to be adopted by 2023 for four wheeler vehicles

Although LPS has achieved many milestones and secured valuable works during the year 2016-17, we have to work together closely as a cohesive family to take over corporation to lofty heights. We have to convert the various targets into reality.

There is a sense of pride in what we have achieved, but we should not take rest at this point.

Despite all odds and financial crunches, your company has managed to register a Turnover of Rs. 258.69 crores as against 309.91 crores of the previous year which shows negative growth by 17% as compared to the Turnover of Financial year 2015-16 and net loss of Rs. 40.97 crores in current year 2016-17 as compared to net loss of Rs. 9.56 crores in the previous year 2015-16. The Board of Directors has not recommended any dividend for the year 2016-17 as the Company suffered the loss.

The faith bestowed by the shareholders in the management in the strength of the Company and I assure you that your Company is committed to overcome the all odds and will register the sustainable growth of 29% in financial year 2017-18.

For achieving sustainable growth, we shall redouble our efforts, on one hand, we are focusing on a strategy to strengthen the existing lines of our business activities, while on the other simultaneously looking for diversification of opportunities in new areas of business, keeping in view the suitability with our business model, so that your Company can draw benefit out of its considerable goodwill built over last forty plus years, and take the company to new heights.

I would like to thank our precious customers, business partners, suppliers, professional advisors, and bankers for their continuous support and confidence reposed in the Company.

I would like express my heartfelt gratitude for support and contribution extended the board Members, Committees of Board and shareholders of the Company for their valuable guidance and support in growth of the Company, and wish your support and contribution likewise in near future.

I would also like to conclude by the commending the hard work and sincere efforts put in by all the employees of the Company, who stand with Company in this tough time and because of their invaluable and collective efforts the Company will achieve new heights and glory.

We welcome always your invaluable suggestion and guidance for ensuring growth of the company at next level.

With best regards,

Yours faithfully

LALIT KUMAR JAIN

Dear Members,

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

FINANCIAL RESULTS AND APPROPRIATIONS

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

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

OPERATIONS

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

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

DIVIDEND AND RESERVES

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

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

CHANGE IN THE NATURE OF THE BUSINESS

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

EXTRACT OF ANNUAL RETURN

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

SUBSIDIARY COMPANY

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

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

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

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

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

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

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

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

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

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

(a) Accepted during the year

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

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

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

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

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

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

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

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

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

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

CONSOLIDATED FINANCIAL STATEMENTS

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

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

I. Retirement by rotation

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

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

II. Appointment

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

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

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

III. Cessation

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

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

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

Iv. Key Managerial Personnel (KMP)

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

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

CREDIT RATING

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

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

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

AUDITORS AND THEIR REPORT

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

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

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

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

COST AUDITOR'S AND THEIR REPORT

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

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

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

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

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

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

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

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

SECRETARIAL AUDIT AND APPOINTMENT OF THE SECRETARIAL AUDITOR'S

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

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

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

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

INSURANCE AND RISK MANAGEMENT

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

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

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

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

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

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

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

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

HEALTH, SAFETY AND ENVIRONMENTAL PROTECTION

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

QUALITY MANAGEMENT SYSTEM

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

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

CUSTOMER FOCUSED APPROACH

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

EMPLOYEES' STOCK OPTION PLAN

Your Company had not provided any employee stock option.

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

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

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

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

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

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

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

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

LISTING AND CONFIRMATION OF FEE

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

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors confirm that:

- a. In the preparation of the Annual Accounts for the financial year ended 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures;

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

DETAILS OF FRAUD, IF ANY, REPORTED BY THE AUDITORS

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

NUMBER OF MEETINGS OF THE BOARD

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

CORPORATE SOCIAL RESPONSIBILITY

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

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

RIGHT OF MEMBER TO COPIES OF AUDITED FINANCIAL STATEMENT

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

DISCLOSURES RELATED TO REMUNERATION OF DIRECTORS AND KMPS

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

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

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

b. Percentage increase in remuneration of each Director and KMP

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

c. Percentage increase in the median remuneration of employees

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

d. No. of employees of the Company

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

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

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

f. Policy compliance affirmation

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

HUMAN RESOURCE DEVELOPMENT

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

SECRETARIAL STANDARD

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

CORPORATE GOVERNANCE

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

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

ACKNOWLEDGEMENTS

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

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

Your support as shareholders is greatly valued.

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

For and on behalf of the Board of Directors

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

PLACE: ROHTAK
DATED: JUNE 20, 2017

ANNEXURE -1

FORM NO. MGT 9

Extract of annual return as on Financial
Year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

1. CIN	:	L35999HR1968PLC004977
2. REGISTRATION DATE	:	27.12.1968
3. NAME OF THE COMPANY	:	Lakshmi Precision Screws Ltd.
4. CATEGORY/SUB-CATEGORY OF THE COMPANY	:	Initially registered as private limited later converted in public limited
5. ADDRESS OF THE REGISTERED OFFICE & CONTACT DETAILS	:	46/1, Mile Stone, Hissar Road, Rohtak - 124001 (Haryana) Ph.01262-248289
6. WHETHER LISTED COMPANY	:	Yes
7. NAME , ADDRESS & CONTACT DETAILS OF THE REGISTRAR & TRANSFER AGENT, IF ANY.	:	M/S. Mcs Share Transfer Agent Ltd. F-65, 1st Floor, Okhla Industrial Area, Phase - 1, New Delhi - 110020.

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

S. NO.	NAME & DESCRIPTION OF MAIN PRODUCTS/SERVICES	NIC CODE OF THE PRODUCT /SERVICE	% TO TOTAL TURNOVER OF THE COMPANY
1.	Bolts and Screws, whether or not with their nuts or washers	28991	92.79
2.	Nuts	28991	0.13
3.	Axle parts & access of Motorcycle & Scooters parts	50404	4.93
4.	Assorted waste and scrap	37100	2.15
Total			100

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

S. NO.	NAME & ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1.	Indian Fasteners Ltd. Industrial Area, Hisar Road, Rohtak	U28939HR1986PLC025042	SUBSIDIARY	67.30	2(87)(ii)
2.	J C Fasteners Ltd. 1-1A/45-C, Janakpuri, New Delhi.	U74899DL1994PLC060719	ASSOCIATE	42.81	2(6)
3.	Hanumat Wires Udyog Pvt. Ltd. 146, Jhandewalan Extn, Cycle Market, New Delhi.	U74899DL1988PTC032902	ASSOCIATE	23.25	2(6)
4.	Lakshmi Extrusion Ltd. 146, Jhandewalan Extn, Cycle Market, New DELHI.	U74999DL1988PLC033123	ASSOCIATE	45.00	2(6)

IV SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS % TO TOTAL EQUITY)

CATEGORY OF SHAREHOLDERS	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR (AS ON 01.04.2016)				NO. OF SHARES HELD AT THE END OF THE YEAR (AS ON 31.03.2017)				% CHANGE DURING THE YEAR	
	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	NO. OF SHARES	% OF TOTAL SHARES
A. Promoters										
(I) Indian										
a) Individual/HUF	6880287	0	6880287	62.882	6880287	0	6880287	62.882	0	0.000
b) Central Govt.or State Govt.	0	0	0	0.000	0	0	0	0.000	0	0.000
c) Bodies Corporates	30733	0	30733	0.281	30733	0	30733	0.281	0	0.000
d) Bank/Fl	0	0	0	0.000	0	0	0	0.000	0	0.000
e) Any other	0	0	0	0.000	0	0	0	0.000	0	0.000
SUB TOTAL:(A) (I)	6911020	0	6911020	63.162	6911020	0	6911020	63.162	0	0.000

CATEGORY OF SHAREHOLDERS	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR (AS ON 01.04.2016)				NO. OF SHARES HELD AT THE END OF THE YEAR (AS ON 31.03.2017)				% CHANGE DURING THE YEAR	
	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	NO. OF SHARES	% OF TOTAL SHARES
(2) Foreign	0	0	0	0.000	0	0	0	0.000	0	0.000
a) NRI- Individuals	0	0	0	0.000	0	0	0	0.000	0	0.000
b) Other Individuals	0	0	0	0.000	0	0	0	0.000	0	0.000
c) Bodies Corp.	0	0	0	0.000	0	0	0	0.000	0	0.000
d) Banks/Fl	0	0	0	0.000	0	0	0	0.000	0	0.000
e) Any other...	0	0	0	0.000	0	0	0	0.000	0	0.000
SUB TOTAL (A) (2)	0	0	0	0.000	0	0	0	0.000	0	0.000
"Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	6911020	0	6911020	63.162	6911020	0	6911020	63.162	0	0.000
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds	0	700	700	0.006	0	700	700	0.006	0	0.000
b) Banks/Fl	125	1800	1925	0.018	125	1800	1925	0.018	0	0.000
c) Cenntral govt	0	0	0	0.000	0	0	0	0.000	0	0.000
d) State Govt.	0	0	0	0.000	0	0	0	0.000	0	0.000
e) Venture Capital Fund	0	0	0	0.000	0	0	0	0.000	0	0.000
f) Insurance Companies	0	0	0	0.000	0	0	0	0.000	0	0.000
g) FIIS	0	1250	1250	0.011	0	1250	1250	0.011	0	0.000
h) Foreign Venture Capital Funds	0	0	0	0.000	0	0	0	0.000	0	0.000
i) Others (specify)	0	0	0	0.000	0	0	0	0.000	0	0.000
SUB TOTAL (B)(1) :	125	3750	3875	0.035	125	3750	3875	0.035	0	0.000
(2) Non Institutions										
a) Bodies corporates										
i) Indian	300816	6993	307809	2.813	195307	6993	202300	1.849	(105509)	(0.964)
ii) Overseas	0	0	0	0.000	0	0	0	0.000	0	0.000
b) Individuals										
i) Individual shareholders holding nominal share capital upto ₹ 2 lakhs	1842090	326432	2168522	19.819	1735197	320885	2056082	18.791	(112440)	(1.028)
ii) Individuals shareholders holding nominal share capital in excess of ₹ 2 lakhs	1498093	0	1498093	13.692	1717982	0	1717982	15.701	219889	2.010
c) Others (specify)										
i. Trust & Foundations	2150	0	2150	0.020	2150	0	2150	0.020	0	0.000
ii. Cooperative Societies	18000	0	18000	0.165	18000	0	18000	0.165	0	0.000
iii. Non Resident Individual	29548	2650	32198	0.294	27608	2650	30258	0.277	(1940)	(0.018)
SUB TOTAL (B)(2):	3690697	336075	4026772	36.802	3696244	330528	4026772	36.802	0	0.000
Total Public Shareholding (B)= (B)(1)+(B)(2)	3690822	339825	4030647	36.838	3696369	334278	4030647	36.838	0	0.000
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.000	0	0	0	0.000	0	0.000
Grand Total (A+B+C)	10601842	339825	10941667	100.000	10607389	334278	10941667	100.000	0	0.000

(II) SHARE HOLDING OF PROMOTERS

SL NO.	SHAREHOLDERS NAME	SHAREHOLDING AT THE BEGINNING OF THE YEAR (AS ON 01.04.2016)			"SHAREHOLDING AT THE END OF THE YEAR (AS ON 31.03.2017)"			% CHANGE IN SHARE HOLDING DURING THE YEAR
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	% OF SHARES PLEDGED ENCUMBERED TO TOTAL SHARES	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	% OF SHARES PLEDGED ENCUMBERED TO TOTAL SHARES	
1)	RAJESH JAIN	1430804	13.077	0	1430804	13.077	0	0
2)	LALIT KUMAR JAIN	1159600	10.598	0	1159600	10.598	0	0
3)	VIJAY KUMAR JAIN	1132593	10.351	0	1132593	10.351	0	0
4)	NIKHLESH JAIN	528362	4.829	0	528362	4.829	0	0
5)	GAURAV JAIN	367485	3.359	0	367485	3.359	0	0
6)	SAURABH JAIN	367484	3.359	0	367484	3.359	0	0
7)	SUSHILA DEVI JAIN	310415	2.837	0	310415	2.837	0	0
8)	DEEPA JAIN	256700	2.346	0	256700	2.346	0	0
9)	DINESH KUMAR JAIN	252000	2.303	0	252000	2.303	0	0
10)	SANDHYA JAIN	199167	1.820	0	199167	1.820	0	0
11)	RITA JAIN	150000	1.371	0	150000	1.371	0	0
12)	AMIT KUMAR JAIN	131221	1.199	0	131221	1.199	0	0
13)	GAUTAM JAIN	120383	1.100	0	120383	1.100	0	0
14)	GAGAN JAIN	119716	1.094	0	119716	1.094	0	0
15)	RAHUL JAIN	106500	0.973	0	106500	0.973	0	0
16)	SUDESH KUMAR JAIN	103237	0.944	0	103237	0.944	0	0
17)	MADHU JAIN	80429	0.735	0	80429	0.735	0	0
18)	SUDHIR AUTOMOTIVE IND (P) LTD	24400	0.223	0	24400	0.223	0	0
19)	MRIDULA JAIN	22583	0.206	0	22583	0.206	0	0
20)	RAJESH JAIN & SONS (HUF)	14000	0.128	0	14000	0.128	0	0
21)	CHANDNI GOYAL	8542	0.078	0	8542	0.078	0	0
22)	VIJAY KUMAR JAIN & SONS (HUF)	7300	0.067	0	7300	0.067	0	0
23)	CHARUL JAIN	6866	0.063	0	6866	0.063	0	0
24)	L.P.S. SECURITIES LTD	6333	0.058	0	6333	0.058	0	0
25)	LALIT KUMAR JAIN & SONS (HUF)	4900	0.045	0	4900	0.045	0	0
TOTAL		6911020	63.162	0	6911020	63.162	0	0

(III) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

S. NO.	DESCRIPTION	SHARE HOLDING AT THE BEGINNING OF THE YEAR (AS ON 01.04.2016)		CUMULATIVE SHARE HOLDING DURING THE YEAR (AS ON 01.04.2016 TO 31.03.2017)	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
1.	At the beginning of the year				
2.	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	----- NO CHANGE -----			
3.	At the end of the year				

(IV) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS & HOLDERS OF GDRS & ADRS)

S. NO.	TOP 10 SHAREHOLDERS	SHAREHOLDING		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
	At the beginning of the year (as on 01.04.2016)				
	1. Mr. Arun Kumar Jain	798959	7.302	0	0
	2. Mr. Anil Bhavanji Shah	145357	1.328	0	0
	3. Mr. Shivswaroop Jagmohanlal Gupta	134070	1.225	0	0
	4. Mr. Bhavanji Vershi Shah	90488	0.827	0	0
	5. Mrs. Radhika Gupta	73428	0.671	0	0
	6. Mrs. Samridhi Jain	57238	0.523	0	0
	7. VSL Securities Private Limited	41012	0.375	0	0
	8. Mr. Updesh Kumar Kaushal	36100	0.330	0	0
	9. Mr. Vipin Gupta	31833	0.291	0	0
	10. Mr. Ramachandra Bhat	30321	0.277	0	0

S. NO.	NAME OF THE SHAREHOLDERS	NO. OF SHARES	DATE OF TRANSACTION	NATURE OF TRANSACTION
	Date wise increase/decrease in Share holding (other than Directors, Promoters & Holders of GDRs & ADRs) during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)			
6	Mr. Kamal Kumar Goyal	905	29.04.2016	Market Purchase
		332	13.05.2016	Market Purchase
		2008	03.06.2016	Market Purchase
		1490	08.07.2016	Market Purchase
		1980	15.07.2016	Market Purchase
		500	29.07.2016	Market Purchase
		3666	05.08.2016	Market Purchase
		3460	12.08.2016	Market Purchase
		13504	19.08.2016	Market Purchase
		6079	26.08.2016	Market Purchase
		12435	02.09.2016	Market Purchase
		550	09.09.2016	Market Purchase
		3058	16.09.2016	Market Purchase
		3165	23.09.2016	Market Purchase
		2373	30.09.2016	Market Purchase
		1690	07.10.2016	Market Purchase
		3323	14.10.2016	Market Purchase
		11739	21.10.2016	Market Purchase
		14876	28.10.2016	Market Purchase
		11383	04.11.2016	Market Purchase
		47572	11.11.2016	Market Sale
		1510	18.11.2016	Market Purchase
		1500	25.11.2016	Market Purchase
		2	02.12.2016	Market Purchase
		2163	10.02.2017	Market Purchase
		456	17.02.2017	Market Purchase
		3696	24.02.2017	Market Purchase
		100	10.03.2017	Market Purchase
		1824	17.03.2017	Market Purchase
		7168	24.03.2017	Market Purchase
		1404	31.03.2017	Market Purchase
8	Shama Goyal	52020	11.11.2016	Market Purchase
9	Pramila Kaushal	7500	17.06.2016	Market Purchase
		16223	07.10.2016	Market Purchase
		3907	09.12.2016	Market Purchase
10	Mr. Updesh Kumar Kaushal	10000	13.05.2016	Market Purchase
		320	02.09.2016	Market Sale
		1000	18.11.2016	Market Purchase

S. NO.	TOP 10 SHAREHOLDERS	SHAREHOLDING		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
	At the end of the year (or on the date of separation, if separated during the year) (As on 31.03.2017)				
1.	Mr. Arun Kumar Jain	798959	7.302	0	0
2.	Mr. Anil Bhavanji Shah	145357	1.328	0	0
3.	Mr. Shivswaroop Jagmohanlal Gupta	134070	1.225	0	0
4.	Mr. Bhavanji Vershi Shah	90488	0.827	0	0
5.	Mrs. Radhika Gupta	73428	0.671	0	0
6.	Mr. Kamal Kumar Goyal	71017	0.649	0	0
7.	Mrs. Samridhi Jain	57238	0.523	0	0
8.	Shama Goyal	52020	0.475	0	0
9.	Pramila Kaushal	51300	0.469	0	0
10.	Mr. Updesh Kumar Kaushal	46780	0.428	0	0

(V) SHAREHOLDING OF DIRECTORS & KMP

S. NO.	DIRECTORS & KMP	SHAREHOLDING		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
	At the beginning of the year (As on 01. 04. 2016)				
1.	Mr. Lalit Kumar Jain, CMD	1159600	10.598	0	0
2.	Mr. Dinesh Kumar Jain, VCMD	252000	2.303	0	0
3.	Mr. Vijay Kumar Jain, JMD	1132593	10.351	0	0
4.	Mr. Rajesh Jain, Director	1430804	13.077	0	0
5.	Smt. Sushila Devi Jain, Director	310415	2.837	0	0
6.	Mr. Bhuwan Kumar Chaturvedi, Director	0	0.000	0	0
7.	Mr. Rakesh Puri, Director	0	0.000	0	0
8.	Mr. Ramesh Chandra Jain, Director	0	0.000	0	0
9.	Mr. Kanai Lal Ghorui, CFO	0	0.000	0	0
10.	Mr. Santosh Kumar Sharma, Company Secretary	0	0.000	0	0

S. NO.	DIRECTORS & KMP	SHAREHOLDING		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year (as on 31.03.2017)				
1.	Mr. Lalit Kumar Jain, CMD	1159600	10.598	0	0
2.	Mr. Dinesh Kumar Jain, VCMD	252000	2.303	0	0
3.	Mr. Vijay Kumar Jain, JMD	1132593	10.351	0	0
4.	Mr. Rajesh Jain, Director	1430804	13.077	0	0
5.	Smt. Sushila Devi Jain, Director	310415	2.837	0	0
6.	Mr. Ravi Shankar Sharma	0	0.000	0	0
7.	Mr. Bijendra Singh	0	0.000	0	0
8.	Mr. Madhav Roy	0	0.000	0	0
9.	Mr. Kailash Sarup Bhatnagar	5935	0.054	0	0
10.	Mr. Saumitra Choudhury	0	0.000	0	0

S. NO.	DIRECTORS & KMP	SHAREHOLDING		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
11.	Mr. Kanai Lal Ghorui, CFO	0	0.000	0	0
12.	Mr. Santosh Kumar Sharma, Company Secretary	0	0.000	0	0

(VI) INDEBTEDNESS

INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT

DESCRIPTION	SECURED LOANS EXCLUDING DEPOSITS	UNSECURED LOANS	DEPOSITS	TOTAL INDEBTEDNESS
Indebtedness at the beginning of the financial year (01.04.2016)				
i) Principal Amount	667759219	29496981	581262545	1278518745
ii) Interest due but not paid	47264525	635629	21404712	69304866
iii) Interest accrued but not due	9342756	210921	-	9553677
TOTAL (I+II+III)	724366500	30343531	602667257	1357377288
Change in Indebtedness during the financial year				
Additions	0	0	87869825	87869825
Reduction	94546378	28966657	0	123513035
Net Change	(94546378)	(28966657)	87869825	(35643210)
Indebtedness at the end of the financial year (31.03.2017)				
i) Principal Amount	573212841	530324	669132370	1242875535
ii) Interest due but not paid	121735513	0	34701616	156437129
iii) Interest accrued but not due	8685698	7698	-	8693396
TOTAL (I+II+III)	703634052	538022	703833986	1408006060

(VII) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

S. NO.	PARTICULARS OF REMUNERATION	NAME OF THE MD/WTD/MANAGER			TOTAL AMOUNT IN ₹
	GROSS SALARY	MR. LALIT KUMAR JAIN	MR. DINESH KUMAR JAIN	MR. VIJAY KUMAR JAIN	
1.	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	6600000	0	6600000	13200000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	6408000	0	5808000	12216000
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961				NIL
	2. Stock option				NIL
	3. Sweat Equity				NIL
	4. Commission as % of profit others (specify)				NIL
	5. Others, please specify contribution to provident fund	792000	0	792000	1584000
	TOTAL (A)	13800000	0	13200000	₹ 27000000/- pa
	* Ceiling as per the Act/ approval of Central Government				

* Central Government vide its letter no. SRNo. B60507860/04/2012-CL.VII, SRNo. B60508405/04/2012-CL.VII dated 17.09.2013 and SRNo. B60508736/04/2012-CL.VII dated 29.10.2013 approved the remuneration of ₹ 11.50 lacs, ₹ 11 lacs and ₹ 11 lacs to Mr. Lalit Kumar Jain, Mr. Dinesh Kumar Jain and Mr. Vijay Kumar Jain respectively in addition to the other benefits. Further the Company have made application to the Central Government for approval of remuneration for remaining period of 2 years of their appointments from 01.01.2016 to 31.12.2017. The Central Government approved the above said remuneration vide its letters No.SRN C78374097/3/2016-CL.VII, SRN C78372254/3/2016-CL.VII and SRN C78372638/3/2016-CL.VII dated 17.10.2016 respectively.

B. Remuneration to other directors:

S. NO.	PARTICULARS OF REMUNERATION	NAME OF THE DIRECTORS								TOTAL AMOUNT (₹)
		B.K. Chaturvedi	Rakesh Puri	R.C. Jain	R S Sharma	Bijendra Singh	Madhav Roy	K S Bhatnagar	S Choudhury	
1.	Independent Directors									
	(a) Fee for attending Board/ Committee meetings	240000	20000	240000	280000	220000	280000	60000	60000	1400000
	(b) Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	(c) Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	TOTAL (1)	240000	20000	240000	280000	220000	280000	60000	60000	1400000
2.	Other Non Executive Directors									
	(a) Fee for attending board committee meetings	140000	40000							180000
	(b) Commission	NIL	NIL							NIL
	(c) Others, please specify.	NIL	NIL							NIL
3.	TOTAL (2)	140000	40000							180000
4.	TOTAL (B)=(1+2)	380000	60000	240000	280000	220000	280000	60000	60000	1580000
5.	TOTAL MANAGERIAL REMUNERATION									38960000
6.	Ceiling as per the Act/ approval of Central Government									

C. Remuneration to key managerial personnel other than md/manager/wtd

S. NO.	PARTICULARS OF REMUNERATION	KEY MANAGERIAL PERSONNEL		TOTAL AMOUNT (₹)
		MR. KANAI LAL GHORUI	MR. SANTOSH KUMAR SHARMA	
	GROSS SALARY			
1.	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961. (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	2722800	1428408	4151208
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission as % of profit others, specify	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL
	Total	2722800	1428408	4151208

(VIII) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

TYPE	SECTION OF THE COMPANIES ACT	BRIEF DESCRIPTION	DETAILS OF PENALTY/PUNISHMENT/ COMPOUNDING FEES IMPOSED	AUTHORITY (RD/ NCLT/COURT)	APPEALL MADE IF ANY (GIVE DETAILS)
A. COMPANY					
Penalty			----- NIL -----		
Punishment			----- NIL -----		
Compounding			----- NIL -----		
B. DIRECTORS					
Penalty			----- NIL -----		
Punishment			----- NIL -----		
Compounding			----- NIL -----		
C. OTHER OFFICERS IN DEFAULT					
Penalty			----- NIL -----		
Punishment			----- NIL -----		
Compounding			----- NIL -----		

Note: There is delay in submission of Financial Results for first quarter, second quarter, third quarter and year ended March 31, 2017 and the imposed penalties under the SEBI (LODR) Regulations, 2015 which are yet to be paid.

ANNEXURE -2

Details of subsidiary company including
associates company

(Forming integral part of Board's Report)

FORM AOC-1

(Pursuant to first proviso to Sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014).

S. NO.	NAME	TYPE OF COMPANY	CAPITAL	RESERVES	TOTAL ASSETS	TOTAL LIABILITIES	INVESTMENTS	TURNOVER/ TOTAL INCOME	PROFIT/ LOSS (-) BEFORE TAXATION	PROVISION FOR TAXATION/ (CREDIT)	PROFIT/ LOSS(-) AFTER TAXATION	PROPOSED DIVIDEND	% OF SHARE HOLDING	COUNTRY
1	Indian Fasteners Limited	Subsidiary	7155800	8708750	19976973	19976973	NIL	1648472	387188	119641	267547	NIL	67.30	India
2	J.C. Fasteners Limited	Associate Company	16350000	2204136	162596317	162596317	NIL	120885346	518908	160862	358046	NIL	42.81	India
3	Hanumat Wires Udyog Private Limited	Associate Company	12011600	77061612	190009212	190009212	NIL	531005119	33672297	0	33672297	NIL	23.25	India
4	Lakshmi Extrusion Limited	Associate Company	6666500	1347900	9268400	9268400	150000	10256653	4930498	0	4930498	NIL	45.00	India

ANNEXURE -3

To the Board's Report

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to section 188(1) of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: -NONE -

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date(s) of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis:

(a) Name(s) of the related party and nature of relationship	NAV BHARAT INDUSTRIES, is a related party of Lakshmi Precision Screws Ltd.	
(b) Nature of Contracts/arrangements/transactions	Jobwork	Lease of Land & Building
(c) Duration of the contracts/ arrangements/ transactions	01.04.2014 to 31.03.2018	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Upto a max.of Rs.50 lacs per annum	Upto a max.of Rs.10.89 lacs per annum
(e) Date(s) of approval by the Board, if any:	09.08.2014	
(f) Amount paid as advances, if any	-	
(a) Name(s) of the related party and nature of relationship	UNITED ENGINEERS, is a related party of Lakshmi Precision Screws Ltd.	
(b) Nature of Contracts/arrangements/transactions	Jobwork	
(c) Duration of the contracts/ arrangements/ transactions	01.04.2014 to 31.03.2018	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Upto a max.of Rs.30 lacs per annum	
(e) Date(s) of approval by the Board, if any:	09.08.2014	
(f) Amount paid as advances, if any	-	
(a) Name(s) of the related party and nature of relationship	AMIT SCREWS PVT. LTD., is a related party of Lakshmi Precision Screws Ltd.	
(b) Nature of Contracts/arrangements/transactions	Jobwork	
(c) Duration of the contracts/ arrangements/ transactions	01.04.2014 to 31.03.2018	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Upto a max.of Rs.20 lacs per annum	
(e) Date(s) of approval by the Board, if any:	09.08.2014	
(f) Amount paid as advances, if any	-	

(a) Name(s) of the related party and nature of relationship	SHIV INDUSTRIES, is a related party of Lakshmi Precision Screws Ltd.	
(b) Nature of Contracts/arrangements/transactions	Jobwork	
(c) Duration of the contracts/ arrangements/ transactions	01.04.2014 to 31.03.2018	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Upto a max.of Rs.20 lacs per annum	
(e) Date(s) of approval by the Board, if any:	09.08.2014	
(f) Amount paid as advances, if any	-	

(a) Name(s) of the related party and nature of relationship	LPS FASTENERS & WIRES PVT. LTD., isa related party of Lakshmi Precision Screws Ltd.	
(b) Nature of Contracts/arrangements/transactions	Jobwork	Rent
(c) Duration of the contracts/ arrangements/ transactions	01.04.2014 to 31.03.2018	01.04.2014 to 31.03.2019
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Upto a max.of Rs.100 lacs per annum	Upto a max.of Rs.50000/- per annum
(e) Date(s) of approval by the Board, if any:	09.08.2014	
(f) Amount paid as advances, if any	-	

(a) Name(s) of the related party and nature of relationship	INDIAN FASTENERS LTD., is a Subsidiary Company of Lakshmi Precision Screws Ltd.	
(b) Nature of Contracts/arrangements/transactions	Jobwork	Leasing of software license
(c) Duration of the contracts/ arrangements/ transactions	01.04.2014 to 31.03.2018	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Upto a max.of Rs.50 lacs per annum	Upto a max.of Rs.18 lacs per annum
(e) Date(s) of approval by the Board, if any:	09.08.2014	
(f) Amount paid as advances, if any	-	

(a) Name(s) of the related party and nature of relationship	LPS BOSSARD PVT. LTD., is a related party of Lakshmi Precision Screws Ltd.	
(b) Nature of Contracts/arrangements/transactions	Sales by LPS	Purchase by LPS
(c) Duration of the contracts/ arrangements/ transactions	01.04.2014 to 31.03.2018	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	2014-15 Rs.1800 lacs 2015-16 Rs. 600 lacs 2016-17 Rs. 700 lacs 2017-18 Rs. 800 lacs	2014-15 Rs.250 lacs 2015-16 Rs.250 lacs 2016-17 Rs.300 lacs 2017-18 Rs.400 lacs
(e) Date(s) of approval by the Board, if any:	09.08.2014	
(f) Amount paid as advances, if any	-	

(a) Name(s) of the related party and nature of relationship	LPS INDUSTRIAL SUPPLIES PVT. LTD., is a related party of Lakshmi Precision Screws Ltd.	
(b) Nature of Contracts/arrangements/transactions	Sales by LPS	Purchase by LPS
(c) Duration of the contracts/ arrangements/ transactions	01.04.2014 to 31.03.2018	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	2014-15 Rs.540 lacs 2015-16 Rs.150 lacs 2016-17 Rs.200 lacs 2017-18 Rs.200 lacs	2014-15 Rs.285 lacs 2015-16 Rs.100 lacs 2016-17 Rs.125 lacs 2017-18 Rs.150 lacs
(e) Date(s) of approval by the Board, if any:	09.08.2014	
(f) Amount paid as advances, if any	-	

(a) Name(s) of the related party and nature of relationship	SMT. SUSHILA DEVI JAIN, is a Director of Lakshmi Precision Screws Ltd.	
(b) Nature of Contracts/arrangements/transactions	Lease of Land & Building	
(c) Duration of the contracts/ arrangements/ transactions	01.04.2014 to 31.03.2019	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Upto a max.of Rs.44.88 lacs per annum	
(e) Date(s) of approval by the Board, if any:	09.08.2014	
(f) Amount paid as advances, if any	-	

(a) Name(s) of the related party and nature of relationship	SUDHIR AUTOMOTIVE INDUSTRIES PVT. LTD., is a related party of Lakshmi Precision Screws Ltd.		
(b) Nature of Contracts/arrangements/transactions	Jobwork	Sales by LPS	Purchase by LPS
(c) Duration of the contracts/ arrangements/ transactions	01.04.2014 to 31.03.2018		
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Upto a max.of Rs.400 lacs per annum	Upto a max.of Rs.75 lacs per annum	Upto a max.of Rs.75 lacs per annum
(e) Date(s) of approval by the Board, if any:	09.08.2014		
(f) Amount paid as advances, if any	-		

(a) Name(s) of the related party and nature of relationship	NAV BHARAT AGENCY, is a related party of Lakshmi Precision Screws Ltd.		
(b) Nature of Contracts/arrangements/transactions	Purchase by LPS		
(c) Duration of the contracts/ arrangements/ transactions	01.04.2014 to 31.03.2018		
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Upto a max.of Rs.15 lacs per annum		
(e) Date(s) of approval by the Board, if any:	09.08.2014		
(f) Amount paid as advances, if any	-		

(a) Name(s) of the related party and nature of relationship	J.C. FASTENERS LTD., is an Associate Company of Lakshmi Precision Screws Ltd.		
(b) Nature of Contracts/arrangements/transactions	Jobwork		
(c) Duration of the contracts/ arrangements/ transactions	01.04.2017 to 31.03.2018		
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Upto a max.of Rs.100 lacs per annum		
(e) Date(s) of approval by the Board, if any:	14.02.2017		
(f) Amount paid as advances, if any	-		

(a) Name(s) of the related party and nature of relationship	LPS-EJOT FASTENING SYSTEMS PVT. LTD., is a related party of Lakshmi Precision Screws Ltd.		
(b) Nature of Contracts/arrangements/transactions	Sales by LPS	Sharing of expenses	
(c) Duration of the contracts/ arrangements/ transactions	01.04.2014 to 31.03.2018		
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	2014-15 Rs. 50 lacs 2015-16 Rs.100 lacs 2016-17 Rs.200 lacs 2017-18 Rs.300 lacs	2014-15 Rs.15 lacs 2015-16 Rs.25 lacs 2016-17 Rs.35 lacs 2017-18 Rs.65 lacs	
(e) Date(s) of approval by the Board, if any:	09.08.2014 & 14.02.2017		
(f) Amount paid as advances, if any	-		

(a) Name(s) of the related party and nature of relationship	HANUMAT WIRES UDYOG PVT. LTD., is an Associate Company of Lakshmi Precision Screws Ltd.		
(b) Nature of Contracts/arrangements/transactions	Jobwork	Purchase by LPS	Interest received
(c) Duration of the contracts/ arrangements/ transactions	01.04.2017 to 31.03.2018		
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Upto a max.of Rs.600 lacs per annum	Upto a max.of Rs.1200 lacs per annum	Upto a max.of Rs.10 lacs per annum
(e) Date(s) of approval by the Board, if any:	14.02.2017		
(f) Amount paid as advances, if any	-		

(a) Name(s) of the related party and nature of relationship	UNIVERSAL ENTERPRISES, is a related party of Lakshmi Precision Screws Ltd.		
(b) Nature of Contracts/arrangements/transactions	Jobwork		
(c) Duration of the contracts/ arrangements/ transactions	01.04.2017 to 31.03.2018		
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Upto a max.of Rs.50 lacs per annum		
(e) Date(s) of approval by the Board, if any:	14.02.2017		
(f) Amount paid as advances, if any	-		

ANNEXURE -4

To the Board's Report

Nomination and Remuneration Policy of Lakshmi Precision Screws Limited in terms of Section 178 of Companies Act, 2013 and Regulation 19 (4) read with Part D of the SEBI (LODR) Regulations, 2015 (erstwhile clause 49B (5) of the Listing Agreement)

OBJECTIVE:

To apprise and assure Board Members through Nomination and Remuneration Committee (hereinafter referred as Committee) regarding availability of framework for conducting company business efficiently by ensuring availability of requisite Talent, Reasonable and Sufficient Remuneration for retaining the Talent, Transparent Performance Evaluation and Reward System to Create High Performance Culture.

APPLICABILITY:

All employees in service of M/s Lakshmi Precision Screws Limited including Directors, Key Management Personnel and Senior Management Personnel.

PERFORMANCE EVALUATION POLICY

All employees are covered under following basic principles guiding the policy & process thereof:

BASIC PRINCIPLES:

- Objective and Transparent Performance Evaluation
- Alignment of Company Objectives and Individual Performance
- Suitably Rewarding High Performance
- Creating Performance Oriented Culture

PROCESS OF PERFORMANCE EVALUATION:

- Company Objectives are defined on Year On Year basis in line with long term goals
- All department and individual Key Result Area (KRA) are defined in line with Company Objectives
- All employees up to Jr. Management level i.e. below Manager are evaluated on annual basis based on Management by Objective
- Manager and above level employees are evaluated on Quarterly basis against pre defined KRA
- Final evaluation of each employee in the organization is done in the month of July every year
- Each individual is appraised on individual performance and competence (level specific) on a 1 to 5 point scale (where 1 is lowest)
- KRA for next Performance Year are finalized
- Each individual is appraised at three levels to ensure correct evaluation

OUTCOME OF PERFORMANCE EVALUATION EXERCISE

- Career Plan for each position
- Training needs of incumbent
- Remuneration Enhancement
- Potential employee for future growth
- Performance Oriented Culture

REMUNERATION

- Remuneration is based upon Level, Responsibilities of the position and Performance of incumbent
- All Statutory benefits are extended to employees Attracting, Retaining and Nurturing Talent Policy Attracting Talent
- Job related
- Behavioral
- Manager & above level positions are finalized with involvement of Chairman & Managing Director

RETENTION & NURTURING OF TALENT

- Fair Remuneration & other employee related policies
- Transparent Performance Evaluation and Rewards System
- Defined Career path and Development Opportunities for all without bias
- Individual Competence enhancement through Training
- Involvement in Improvements and Change on regular basis
- Open Door Policy for employees

ANNEXURE -5

To the Board's Report

FORM NO. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Lakshmi Precision Screws Limited
CIN: L35999HR1968PLC004977
46/1 Mile Stone, Hissar Road,
Rohtak, Haryana-124001

We have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Lakshmi Precision Screws Limited** (hereinafter referred as 'the Company'), having its Registered Office at **46/1 Mile Stone, Hissar Road, Rohtak, Haryana-124001**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended **March 31, 2017**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

- I. The Companies Act, 2013 ('the Act') and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable. Further, there were no compliances required relating to Foreign Direct Investment, Overseas Direct Investment, and External Commercial Borrowings during the period under review;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
 - b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 [**Not Applicable as the Company has not issued further share capital during the financial year under review**];

- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **[Not applicable as the Company has not offered any shares or granted any options pursuant to any employee benefit scheme during the period under review];**
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **[Not Applicable as the Company has not issued and listed any debt securities during the financial year under review];**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **[Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent.];**
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **[Not Applicable as the Company has not delisted/propose to delist its equity shares from any Stock Exchange during the financial year under review];**
- (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 **[Not Applicable as the Company has not bought back/propose to buy-back any of its securities during the financial year under review].**

VI. The Company has no identified principal business activity and accordingly no other laws are specifically applicable to the company.

For the compliances of Labour Laws & other General Laws, our examination and reporting is based on the documents, records and files as produced and shown to us and the information and explanations as provided to us, by the officers and management of the Company and to the best of our judgment and understanding of the applicability of the different enactments upon the Company, in our opinion there are adequate systems and processes exist in the Company to monitor and ensure compliance with applicable General laws and Labour Laws.

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the statutory financial auditor and other designated professionals.

We have also examined compliance with the applicable clauses of the following:

1. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India. However, the stricter applicability of the Secretarial Standards is to be observed by the company.
2. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company had complied with the provisions of the Act, rules, regulations, guidelines, standards, etc. mentioned above subject to the following observations:

1. *As per Regulation 31 of SEBI (Listing Obligation and Disclosure Requirements), 2015, a statement showing holding of securities and shareholding pattern shall be filed to the Stock Exchanges where the Company is listed within 21 days of the close of the quarter. However, the Company has filed the same late with a penalty of Rs. 6,000/- on August 22, 2016. The same has been paid by the Company.*
2. *As per Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements), 2015, the Company shall submit the Unaudited Quarterly Results in 45 days of the end of the Quarter to the Stock Exchange and get the same published in the newspaper within 48 hours of conclusion of the meeting of board of directors at which the financial results were approved. However, Unaudited Financial Results for the first quarter were neither submitted to stock exchange nor published within the prescribed timelines and in this regard the penalty of Rs 63,250/- was paid on 28-10-2016 to NSE. Similarly, Unaudited Financial Results for the third quarter were also not submitted to stock exchange within prescribed time and in this regard the penalty of Rs. 2,64,417/- was sought by NSE by the letter dated March 17, 2017 and the same has been paid by the Company on 24th March, 2017.*
3. *The Company is in violation of Section 73 of Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014 as it has taken advances from customers 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 and hence the Company is in violation of the same.*

4. *As per Section 149 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, any intermittent vacancy of an independent director shall be filled-up by the Board at the earliest but not later than immediate next Board meeting or three months from the date of such vacancy, whichever is later. However, such vacancy in the office of Independent Director was not filled within the prescribed time.*
5. *As per the requirements of Section 149(7), the Company has taken the declaration of independence from all the Independent Directors at the time of their Appointment. However, the Company has not received the declaration from two of its Independent Directors in the first board meeting held in the Financial Year 2016-17.*
6. *In terms of the requirement of Section 19 of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has not any awareness Programmes during the Audit Period.*
7. *In terms of the requirement of Employee State Insurance Act, 1948, Employee State Insurance from October 2016 to March 2017 is yet to be deposited by the Company with the Employee State Insurance Commission Authorities.*
8. *In terms of the requirement of The Payment of Bonus Act, 1965, the Company has not paid bonus for the financial year ending 31st March, 2016.*
9. *In terms of the requirement of The Payment of Gratuity Act, 1972, the Gratuity Liability of the Company from April 2016 to March 2017 is yet to be deposited by the Company.*
10. *In terms of the requirement Punjab Labour Welfare Fund Act, 1965 read with the rules thereunder, Welfare Fund for the period under review is yet to be deposited by the Company.*
11. *In terms of the requirement of Local Environmental Laws, Trade License and NOC from the Fire Department have not been received by the Company.*

12. *The Company is not regular in depositing Statutory Dues relating including Provident Fund, Excise Duty, VAT/CST and TDS to the Appropriate Authority.*

13. *In terms of the requirement of Income Tax Act, 1961, the Company is yet to file Tax Audit Report in 3CA-3CD.*

WE FURTHER REPORT THAT

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. **However, as per the requirements of the Section 149 of Companies Act, 2013, the Board of the Company was not duly constituted due to lack of optimum number of Independent Directors on the Board of the Company between September 28, 2016 to December 30, 2016.**

Adequate notice(s) were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally seven days in advance to all Directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings of the Board and Committees of the Board duly signed by the Chairman, all the decisions of the Board were adequately passed and dissent on any subject matter was not observed in the minutes.

As per the records, the Company generally filed all the forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies and other authorities and all the formalities relating to the same is in compliance with the Act.

Further, as per the requirements of Section 124(6) read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2017, the Company is advised to intimate the shareholders whose shares are due to be transferred to Investor Education and Protection Fund (IEPF) in respect of the unpaid or unclaimed dividend declared for the financial year 2008-09.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above:-

- (i) M/s. B.M. Chatrath & Co., Chartered Accountants were appointed in the Board Meeting held on February 25, 2017, subject to the approval of the members in the Extra General Meeting held on April 14, 2017, as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. V.R. Bansal & Associates, Chartered Accountants with immediate effect from February 07, 2017.

Note: This report is to be read with 'Annexure 1' attached herewith and forms an integral part of this report.

PLACE:
AUDITOR: NEW DELHI
BOARD: ROHTAK
DATED: 20TH JUNE, 2017

FOR RMG & ASSOCIATES
Company Secretaries
(Firm Registration No. P2001DE016100)

SD/-
CS SURESH KUMAR
Partner
FCS : 7776; C.P. No.: 8529

ANNEXURE - 1

THE MEMBERS

Lakshmi Precision Screws Limited

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc..
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

ADDENDUM TO THE REPORT OF THE BOARD OF DIRECTORS

Management response in respect of observation of Secretarial Auditor (Reference Secretarial Auditors' Report, June 20, 2017)

S. NO.	OBSERVATION	CLARIFICATION OF MANAGEMENT
1.	As per Regulation 31 of SEBI (Listing Obligation and Disclosure Requirements), 2015, a statement showing holding of securities and shareholding pattern shall be filed to the Stock Exchanges where the Company is listed within 21 days of the close of the quarter. However, the Company has filed the same late with a penalty of Rs. 6,000/- on August 22, 2016. The same has been paid by the Company.	Noted
2.	As per Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements), 2015, the Company shall submit the Unaudited Quarterly Results in 45 days of the end of the Quarter to the Stock Exchange and get the same published in the newspaper within 48 hours of conclusion of the meeting of board of directors at which the financial results were approved. However, Unaudited Financial Results for the first quarter were neither submitted to stock exchange nor published within the prescribed timelines and in this regard the penalty of Rs 63,250/- was paid on 28-10-2016 to NSE. Similarly, Unaudited Financial Results for the third quarter were also not submitted to stock exchange within prescribed time and in this regard the penalty of Rs.2,64,417/- was sought by NSE by the letter dated March 17, 2017 and the same has been paid by the Company on 24th March, 2017.	Noted.
3.	The Company is in violation of Section 73 of Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014 as it has taken advances from customers 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 and hence the Company is in violation of the same.	The company has not taken these advances during the year. These advances have been taken from the customers for supply of goods which will be cleared by the Management soon.
4.	As per Section 149 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, any intermittent vacancy of an independent director shall be filled-up by the Board at the earliest but not later than immediate next Board meeting or three months from the date of such vacancy, whichever is later. However, such vacancy in the office of Independent Director was not filled within the prescribed time.	Noted, the Composition of the Board of Directors are in consonance with provisions of section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI (LODR) Regulation 2015 with effect from December 30, 2016.
5.	As per the requirements of Section 149(7), the Company has taken the declaration of independence from all the Independent Directors at the time of their Appointment. However, the Company has not received the declaration from two of its Independent Directors in the first board meeting held in the Financial Year 2016-17.	Noted, the Company in financial year 2017-18 had obtained the declaration from all Independent Directors of the Company, which were noted by the Board in their meeting held on May 30, 2017.
6.	In terms of the requirement of Section 19 of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has not any awareness Programmes during the Audit Period.	Noted, no familiarization programme was conducted during the financial year 2016-17.
7.	In terms of the requirement of Employee State Insurance Act, 1948, Employee State Insurance from October 2016 to March 2017 is yet to be deposited by the Company with the Employee State Insurance Commission Authorities.	Noted and updated to the Management from time to time by the Company Secretary, the management will take necessary steps to clear the dues.
8.	In terms of the requirement of The Payment of Bonus Act, 1965, the Company has not paid bonus for the financial year ending 31st March, 2016.	Noted and updated to the Management and HR Department, the management will take necessary steps to clear the dues.
9.	In terms of the requirement of The Payment of Gratuity Act, 1972, the Gratuity Liability of the Company from April 2016 to March 2017 is yet to be deposited by the Company.	Noted and updated to the Management from time to time by the Company Secretary, the management will take necessary steps to clear the dues.
10.	In terms of the requirement Punjab Labour Welfare Fund Act, 1965 read with the rules thereunder, Welfare Fund for the period under review is yet to be deposited by the Company.	Noted and updated to the Management from time to time by the Company Secretary, the management will take necessary steps to clear the dues.
11.	In terms of the requirement of Local Environmental Laws, Trade License and NOC from the Fire Department have not been received by the Company.	Noted, The same was already apprised to the Management and HR department, they will take necessary steps for compliance of the provisions of law.
12.	The Company is not regular in depositing Statutory Dues relating including Provident Fund, Excise Duty, VAT/CST and TDS to the Appropriate Authority.	Noted and updated to the Management from time to time by the Company Secretary, the management will take necessary steps to clear the dues.
13.	In terms of the requirement of Income Tax Act, 1961, the Company is yet to file Tax Audit Report in 3CA-3CD.	Noted and updated to the Management from time to time, the management.

ANNEXURE -6

To the Board's Report

PARTICULARS REQUIRED PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF COMPANIES (ACCOUNTS) RULES, 2014, FORMING PART OF THE BOARD'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2017.

A. Conservation of Energy

(a) Energy conservation measures taken:

The Company has taken the following measures towards the conservation of energy:

1. 40 Nos. HPMV (250W) & HPSV(150W) roof lights are replaced with energy efficient 85 W LED Lights.
2. New industrial shed for plating plant has been designed in this way that there is enough natural daylight inside. Energy saving wind driven turbo exhaust fans are provided on the roof.
3. 1600 KVA Transformer with Automatic On Load Tap Changer (OLTC) installed with Vacuum Circuit Breakers (VCB). It is more efficient than Transformer with off load tap changer.
4. 16 years old obsolete model 500 KVA DG replaced, with Cummins 625 KVA DG for higher fuel efficiency and reliability.
5. A rational and systematic approach has been taken for energy conservation by connecting shutting down all the power consumption sources like air conditioners, pumps and lights etc. with individual switches and they are being shut down during the idle time.
6. Installation of energy savings CFL lamps in place of conventional filament lamps..
7. Replacement of ENDO-GAS generators with methanol system..
8. Proportional Integrated Derivatives (PID) controllers are used in furnaces, so that electric power is consumed as per the loading pattern of the furnace..
9. Machines and pipelines are being checked to arrest air, oil and water leakages..
10. Provided energy saver in street light feeder to save energy cost.
11. 100 KVA voltage stabilizer installed at the lighting feeder.
12. 300 KVAR APFC Panel installed to improve power factor from 0.95 to 0.99.
13. In tube lights 13 W defective chokes are being replaced with 2 W electronic chokes.

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of Energy.

The following proposals for reduction of consumption of energy are under implementation:

1. Cooling Tower's Metallic blades are being replaced with light weight FRP blades.
 2. Contract Demand with UHBVN is being reduced from 2998 KVA to 2100 KVA to save fixed charges..
 3. In new plant at Manesar:
 - (A) Work shed, roof and windows are designed in such a way that there is enough natural day light inside.
 - (B) Street lights are designed in 70 W, instead of conventional 150 or 250 W.
 4. Proposal for open access power procurement being taken.
- (c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

As a result of increasing scale of energy conservation measures taken in earlier years, there have been savings in the cost of production in the inflationary conditions. The Company continues to make all efforts to keep energy consumption at optimum level.

(d) Total energy consumption and energy consumption per unit of production as per Form A appended.

B. Technology absorption

(a) Efforts made in the technology absorption as per Form B appended.

C. Foreign exchange earnings and outgo:

(a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services; and export plans:

The considerable amount of spadework, extensive market survey and consistent efforts to provide technical information coupled with frequent visits formed part of the initiatives for exports. The Company has also made efforts on various other fronts for promotion of Exports like manufacturing of products as per new international quality standards, improvement in the packaging etc. Besides export through distributors, the Company has geared up its efforts in approaching directly to OEMs. Further efforts in the same direction will continue to enable your Company to earn valuable foreign exchange for the country.

(b) Total Foreign exchange used and earned:

Total Foreign exchange earned: Rs.734.67 Lacs

Total Foreign exchange used : Rs.471.72 Lacs

PLACE:
AUDITOR: NEW DELHI
BOARD: ROHTAK
DATED: 20TH JUNE, 2017

For and on behalf of the Board of Directors

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

FORM A*Disclosure of particulars with respect to conservation of energy (to the extent applicable)*

PARTICULARS	2016-2017	2015-2016
A. POWER & FUEL CONSUMPTION		
1. Electricity		
(a) Purchased		
unit (Kwh in thousand)	15647.81	18224.08
Total amount (Rs. in lacs)	1351.90	1550.10
Rate/ unit (Rs.)	8.64	8.51
(b) Own generation		
Through diesel generator (unit in thousand)	541.44	661.29
Rate per litre of diesel oil	53.65	47.98
Cost/ unit (Rs.)	15.62	14.69
2. LPG		
Qty./ Tons	91.13	162.60
Total amount (Rs. in lacs)	42.05	86.49
Average Rate/ Kilogram (Rs.)	46.14	53.19
3. Furnace Oil		
Qty./ Litres (in thousand)	-	-
Total amount (Rs. in lacs)	-	-
Average Rate/ litre (Rs.)	-	-
B. CONSUMPTION PER TONE OF PRODUCTION		
Product (with details) Unit	1312.68	1314.50
Electricity (Units/ Ton)	7.39	11.32
LPG (kg./ Ton)	-	-
Furnace Oil (litre/ Ton)		

FORM B*Form for disclosure of particulars with respect to absorption:***A. RESEARCH AND DEVELOPMENT (R&D)****a) Specific areas in which R & D carried out by the Company & benefits derived there from:**

The Company has established its own in-house Research & Development centre at Corporate Office at Rohtak. The research and development activities have been carried out in different areas such as tool design with new materials, virtual process design & analysis through latest software's, products verification & validation through sophisticated equipments and value engineering & process optimization in the fields of automotive and aerospace fasteners. Full focus was given to customer satisfaction, zero defect manufacturing, process cost reduction, reducing product development time and to meet the market requirements.

R&D Project completed during financial year 2016-17.

- 1). Evaluation of tensile strength and metallographic properties of engine fasteners subjected due to high temperature applications.
- 2) Development forming die with high grade material and enhanced tool life.
- 3) Evaluated thread forming torque and stripe torque for Delta PT screws through experimental studies on different engineering materials by special purpose testing machine.
- 4) Optimized/reduced number of forging sequences for manufacturing of safety fasteners through simulation & die stress analysis. Evaluated life of modified tool during the actual forging operation.
- 5) Used forming dies instead of tapping tool for making high quality threads.
- 6) Failure analysis on reported customer complained.
- 7) Improvement in surface roughness (Ra value).

b) Future Plan of action:

- 1) Process optimization, validation of forging processes through Simufact software and die stress analysis for value engineering purposes.
- 2) Enhancing tool life and reducing number of tools & manufacturing cost without sacrificing the quality of products.
- 3) Development of Aerospace parts.
- 4) Development of heat treatment process for special alloys for development of aerospace parts.
- 5) Explore new polymers and soft materials applications for self-tapping and PT screws and develop the correlation factor between them.
- 6) Development of test procedures and processes to save cost.
- 7) Development of special application screws to meet the new sectors requirement in electronic segments, white goods, elevators and medical devices.
- 8) Fatigue and fracture analysis of automotive and aerospace fasteners.
- 9) Failure analysis of components through advanced analytical instruments to identify and solve customer complain problems.
- 10) Development of state of art R&D Centre and equipped with latest equipments.

c)Expenditure on R & D:

PARTICULARS	(RS. IN LACS)
(1) Capital	57.00
(2) Recurring	236.10
Total	293.10
(3) Total R&D expenditure as a percentage of turnover	1.13%

BTECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:**I. Efforts, in brief, made towards technology absorption, adaptation and innovation and benefits derived as a result thereof:**

1. The Company has started extensive use of new software which has strengthened planning system, on line quality monitoring and design calculation.
2. Productivity has been improved through better tool life improvement new tool material concept.
3. Trivalent Passivation in multicolours successfully approved by strategic customers.
4. Trivalent Passivation has been widely accepted by domestic and global customers and its demand is on upward trend.
5. Extensive reduction in tool manufacturing cycle time through latest CNC machining process and new concept machining tools.
6. The Company always keep itself updated with all latest technological innovation by way of constant communication, visit to domestic/ foreign Companies.
7. New stress analysis software has been installed in Design & Development Department for ensuring speedy work and better understanding of new joinees.
8. Company has started developing more and more components/ shafts through cold forging process.
9. Company has saved lacs of rupees through process innovation and process modification.

II. In case of imported technology (imported during the last five years reckoned from the beginning of the financial year)**NIL**

ANNEXURE -7

To the Board's Report

Statement of particulars of employees forming part of the Board's Report for the financial year ended March 31, 2017

A. Particulars of Top ten employees of the Company, pursuant to Rule 5(2) read with Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

S. NO.	EMPLOYEES NAME	DESIGNATION	AGE	DATE OF JOINING	QUALIFICATION	EXP (IN YEARS)	PREVIOUS EMPLOYER	SALARY (CTC) IN ₹.	WHETHER ANY EMPLOYEE, RELATIVES OF DIRECTOR, IF YES, THEN NAME OF DIRECTOR
1.	Lalit Kumar Jain	Chairman & MD	63	05.02.1974	Engineering Graduate	43	NA	1,38,00,000	Vijay Kumar Jain, Rajesh Jain & Sushila Devi Jain
2.	Dinesh Kumar Jain	Vice Chairman & MD	69	27.12.1968	Commerce Graduate	49	NA	0*	No
3.	Vijay Kumar Jain	JMD	60	05.02.1974	Graduate	43	NA	1,32,00,000	Lalit Kumar Jain, Rajesh Jain & Sushila Devi Jain
4.	Sudesh Kumar Jain	Executive Vice President	67	24.02.1974	B.E. MECH.	43	NA	38,59,560	Dinesh Kumar Jain
5.	Gagan Jain	Vice President	38	01.02.2004	Bachelor of Information Systems	13	NA	27,45,000	Lalit Kumar Jain, Vijay Kumar Jain Rajesh Jain & Sushila Devi Jain
6.	Gautam Jain	Vice President	37	01.02.2004	Bachelor of Commerce (Management)	13	NA	27,45,000	Lalit Kumar Jain, Vijay Kumar Jain Rajesh Jain & Sushila Devi Jain
7.	R.P. Khanna	AVP	71	12.04.1999	BE	47	Mahindra Fasteners Limited	32,43,600	No
8.	J.K. Sahoo	Sr.General Manager	63	07.02.2013	BE	37.5	LPS PLANT-1	31,18,080	No
9.	Siddhartha Chatterjee	General Manager	51	14.10.2008	BE	28.5	Mahindra Sar Transmission Pvt. td.	29,15,604	No
10.	Nikhlesh Kumar Jain	Vice President	43	01.02.2004	MBA	13	NA	27,72,000	Dinesh Kumar Jain

*Mr. Dinesh Kumar Jain, Vice Chairman & Managing Director, has forgone the remuneration for the period 2016-17.

B. Particulars of the employees of the Company drawing remuneration more than Rs. 1.02 crore p.a. (Rupees One crore and two Lakhs), pursuant to Rule 5(2) read with Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

S. NO.	NAME	DESIGNATION/ NATURE OF DUTIES	REMUNERATION RECEIVED (₹)	DATE OF JOINING	AGE (IN YEARS)	EXP. (IN YEARS)	QUALIFI- CATIONS	% OF SHARE- HOLDING	LAST EMPLOY HELD	WHETHER ANY EMPLOYEE, RELATIVES OF DIRECTOR, IF YES, THEN NAME OF DIRECTOR
1	Mr. Lalit Kumar Jain	Chairman & Managing Director	1,38,00,000	05.12.74	63	42	B. E. Mech.	10.60	-	Vijay Kumar Jain, Rajesh Jain and Sushila Devi Jain
2	Mr Dinesh Kumar Jain	Vice Chairman & Managing Director	0*	27.12.68	69	48	B. Com	2.30	-	No
3	Mr. Vijay Kumar Jain	Joint Managing Director	1,32,00,000	05.12.74	60	41	B. A.	10.35	-	Lalit Kumar Jain, Rajesh Jain and Sushila Devi Jain

*Mr. Dinesh Kumar Jain, Vice Chairman & Managing Director, has forgone the remuneration for the period 2016-17.

Notes:

1. Remuneration received includes Salary, House Rent Allowance, Perquisites and Company's contribution to provident fund.
2. The appointment and remuneration of Mr. Lalit Kumar Jain, Mr. Dinesh Kumar Jain and Mr. Vijay Kumar Jain were approved by the Central Government for a period of 5 years and 3 years respectively from 01.01.2013 to 31.12.2015. Consequent to the applications made by the Company to the Central Government for obtaining approval of remunerations for the remaining period of 2 years of their appointment from 01.01.2016 to 31.12.2017, the applications were approved.
3. The nature of employment is contractual. The employments are subject to the rules and regulations of the Company in force from time to time.
4. The Company did not have an employee either in the whole or part of the year under review who was in receipt of remuneration in the year which, in the aggregate or at the rate which, in the aggregate, was in excess of that drawn by the Managing Director and held by himself or along with his spouse and dependent children, more than 2% of the paid up Equity Shares Capital of the Company.
5. There is no other employee employed during the financial year drawing remuneration of more than Rs. 1.02 crore p.a. or Rs. 8.5 lacs p.m.

ANNEXURE -8

To the Board's Report

REPORT ON CORPORATE GOVERNANCE

(1) Company's philosophy on Code of Governance

In the context of modern business environment where the stakeholders are scattered all over the country, the Company feels that their participation and involvement in the affairs of the Company can be achieved only through professional approach and better corporate governance. The Company has recognized its importance long before the introduction of erstwhile Clause 49 of the Listing Agreement, now Regulation 17 to Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has always believed in self-discipline and adherence to proper and efficient system. The Company fully realizes the rights of its shareholders to information on the performance of the Company and considers itself a trustee of its shareholders. The Company provides detailed information on various issues concerning the Company's business and financial performance to its shareholders. The entire process begins with the functioning of the Board of Directors, with leading professionals and experts serving as independent Directors and represented in the various Board Committees. Systematic attempt is made to eliminate informational asymmetry between executive and non-executive directors.

Key elements in the Corporate Governance are transparency, accountability and equity, in all facets of its operations, and all interactions with its stakeholders, including the shareholders, employees, the Government and the Bankers.

Your Company's Corporate Governance philosophy is based on the following principles:

- 1) Comply with all the applicable laws of the country.
- 2) Have simple and transparent corporate structure driven by business needs.
- 3) Management is the trustee of the shareholders capital.
- 4) Be transparent and to maintain high degree of disclosure levels.

The Company's Board and Senior Level Management comprise of individuals with rich experience and expertise across a range of disciplines including fasteners industry.

COMPANY'S VALUES

All employees are committed to living the Company's values given below:

- Customer obsession
- Continuous improvement
- Respect for people

DISCLOSURE OF INFORMATION TO INVESTORS

Your Company ensures the timely disclosure of all material information in compliance with applicable laws.

(2) Board of Directors

COMPOSITION OF THE BOARD

During the year Board of the Company consists of Ten Directors which comprises Three Executive Directors, Seven Non Executive Directors out of whom Five are independent. The Company is chaired by an Executive Director Mr. Lalit Kumar Jain, Chairman & Managing Director is son of Smt. Sushila Devi Jain, Director and brother of Mr. Vijay Kumar Jain, Joint Managing Director and Mr. Rajesh Jain, Director. All the remaining Directors are not related to other Directors.

The functions of the Board include formulation of strategic and business plans, setting up of goals and evaluation of performance, approving corporate philosophy and mission; monitoring corporate performance against strategic business plans, overseeing operations, ensuring compliance with laws and regulations, keeping shareholders informed regarding plans, strategies and performance of the Company and other important matters.

During the financial year 2016-17, Twelve Board Meetings were held on 28.05.2016 (Original), 30.05.2016 (Adjourned meeting of the Original meeting dated 28.05.2016), 14.06.2016, 13.08.2016, 27.08.2016, 05.11.2016, 14.11.2016 (Original), 21.11.2016 (Adjourned meeting of the Original meeting dated 14.11.2016), 30.12.2016, 14.02.2017, 25.02.2017 and 31.03.2017. The maximum gap between two Board Meetings was less than 120 days.

None of the Directors on the Board is a Member of more than ten Committees or Chairman of more than five Committees as specified in Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, across all the Companies in which he is a Director. Necessary disclosures regarding Committee position in other public companies as at March 31, 2017 have been made by the Directors. Also none of the Independent Directors serve as an Independent Director on the Board of more than 7 listed companies and as whole time Director not more than 3 listed companies.

The composition of Board of Directors, their attendance at the Board Meetings held during the year, at the last Annual General Meeting and also number of directorships and chairmanships/ memberships of committees of each director held in various companies are as follows:

S. NO.	NAME OF THE DIRECTOR	CATEGORY	ATTENDANCE RECORD		NO. OF OTHER DIRECTORSHIP#	NO. OF MEMBERSHIP(S)/ CHAIRMANSHIP(S) OF BOARD COMMITTEE IN OTHER COMPANIES*
			BOARD MEETINGS	LAST AGM		
1.	Mr. Lalit Kumar Jain	Promoter & ED (CMD)	12	Yes	6	1 (as Member)
2.	Mr. Dinesh Kumar Jain	Promoter & ED (VCMD)	12	Yes	3	1 (as Member)
3.	Mr. Vijay Kumar Jain	Promoter & ED (JMD)	3	No	4	Nil
4.	Mr. Rajesh Jain	Promoter & NED	3	No	12	2 (including 1 as Chairman)
5.	Mrs. Sushila Devi Jain	Promoter & NED	2	No	Nil	Nil
6.	Mr. Bhuwan Kumar Chaturvedi	NEID**	5	No	4	2 (as Chairman)
7.	Mr. Rakesh Puri	NEID**	0	No	1	NIL
8.	Mr. Ramesh Chandra Jain	NEID**	5	No	7	3 (as Member)
9.	Dr. Sushant Umre	NEID@ **	0	No	1	Nil
10.	Mr. Indradip Banerjee	NEID@ **	0	No	3	Nil
11.	Mr. Ravi Shankar Sharma	NEID@	6	No	Nil	1 (as Chairman)
12.	Mr. Bijendra Singh	NEID@	5	No	Nil	1 (as Member)
13.	Mr. Madhav Roy	NEID@	6	No	Nil	1 (as Member)
14.	Mr. Kailash Sarup Bhatnagar	NEID@	2	No	Nil	Nil
15.	Mr. Saumitra Choudhury	NEID@	3	No	Nil	Nil

* Board Committee for this purpose includes Audit Committee and Stakeholder Relationship Committee (including Board Committees of Lakshmi Precision Screws Ltd.).

** Mr. Rakesh Puri, Mr. Sushant Umre, Mr. Indradip Banerjee, Mr. Bhuwan Kumar Chaturvedi and Mr. Ramesh Chandra Jain, NEID resigned from the office of Director w.e.f. 29.06.2016, 29.06.2016, 30.06.2016, 31.08.2016 and 07.09.2016 respectively.

@ Mr. Sushant Umre, Mr. Indradip Banerjee, Mr. Ravi Shankar Sharma, Mr. Bijendra Singh, Mr. Madhav Roy, Mr. Kailash Sarup Bhatnagar and Mr. Saumitra Choudhury, NEID appointed w.e.f 05.11.2016, 05.11.2016, 05.11.2016, 14.11.2016 and 30.12.2016 respectively.

including all public limited Companies, whether listed or not, private and foreign Companies.

CMD	-	Chairman and Managing Director
VCMD	-	Vice Chairman and Managing Director
JMD	-	Joint Managing Director
ED	-	Executive Director
NEID	-	Non Executive Independent Director

TERMS OF REFERENCE TO THE BOARD OF DIRECTORS

Apart from placing the statutory information before the Board Members, it is the policy of the Company to regularly place the information(s)/ matter involving major decisions like Joint Ventures and Technology Collaboration, Investments, Quarterly Results, Minutes of Meeting of Audit Committee(s) and other Committee(s) of the Board and other material information. The Board also periodically reviews the compliance reports of all laws applicable to the Company. Normally, the relevant information, required to be placed before the Board of Directors as per Regulation 17(3) read with Schedule II of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are duly considered and taken on record/ approved by the Board. Pursuant to Regulation 25(3) of SEBI (LODR) Regulations, 2015 during the year, two separate meetings of the Independent Directors were held on 07.05.2016 and 30.12.2016 without the attendance of Non Independent Directors. All the independent Directors attended the meeting held on 07.05.2016 in the Chairmanship of Mr. Rakesh Puri, but the meeting was deferred as all the Independent Directors were recently appointed in the Company and they did not know much about the Company. Thereafter, the 2nd meeting held on 30.12.2016.

During the year, one familiarization programme was imparted to Independent Directors on November 14, 2016 the web link of the same is <http://www.lpsindia.com/director-familiarisation-programme.aspx>.

PECUNIARY RELATIONSHIP

Independent Directors do not have any pecuniary relationships or transactions with the Company except for the sitting fees, drawn for attending the meetings of the Board and Committee(s) thereof.

DISCLOSURES REGARDING APPOINTMENT/ RE-APPOINTMENT OF DIRECTORS.

Mr. Dinesh Kumar Jain, Vice Chairman and Managing Director and Smt. Sushila Devi Jain, Director are retiring by rotation and being eligible, offer themselves for appointments at the forthcoming 48th Annual General Meeting. Dr. Sushant Umre and Mr. Indradip Banerjee were appointed as additional Directors by the Board w.e.f. 28.05.2016 in the category of the independent director to comply with the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, they were resigned w.e.f. 29.06.2016 and 30.06.2016 respectively. The following Independent Directors were appointed as Additional (Independent) Directors by the Board in the category of the Independent Directors to comply with the requirement of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:-

1. Mr. Ravi Shankar Sharma (DIN: 07564995) with effect from 05.11.2016.
2. Mr. Bijendra Singh (DIN: 00099116) with effect from 05.11.2016.
3. Mr. Madhav Roy (DIN: 05018263) with effect from 05.11.2016.
4. Mr. Kailash Sarup Bhatnagar (DIN: 07652637) with effect from 14.11.2016.
5. Mr. Saumitra Choudhury (DIN: 07671014) with effect from 30.12.2016.

Further, all the above said Additional (independent) Directors were appointed as Independent Directors by the Members in their Extra-Ordinary General Meeting held on 14.04.2017.

CODE OF CONDUCT AND COMPLIANCE

The Board of Directors has adopted the Code of Business Conduct and Ethics for Directors and Senior Management. The said code has been communicated and applicable to all the Board Members and Senior Management Personnel of the Company as laid down by the Board and is hosted on the website of the Company www.lpsindia.com.

All the Board Members and Senior Management Personnel of the Company have affirmed the compliance of Code of Conduct for the financial year ended March 31, 2017. A declaration to this effect, duly signed by the Chairman and Managing Director (CEO) is given in the Annual Report.

INSIDER TRADING

Presently, the Company's shares are listed at the National Stock Exchange and Bombay Stock Exchange. With the intention of preventing insider dealing in the securities of the Company, the Company has formulated a "Code of Conduct for Prevention of Insider Trading and Code of Fair Disclosure Practices" in accordance with the terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended which was uploaded at web link of the same is <http://www.lpsindia.com/code-of-conduct-for-fair-disclosure.pdf>

RISK MANAGEMENT

In terms of the requirements of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has laid down procedures to inform Board members about the Risk Assessment and Minimization Procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined frame work. However at present the Regulation 21 of the SEBI (LODR) Regulations, 2015 is not applicable to the Company.

The Company is a large scale manufacturer of automotive and engineering components, faces internal and external risks.

Internal risks relate to security of data, pollution controls and internal control.

External risks relate to inflation, competition, price, currency and market volatility.

The Company is mitigating the price risk by additional sales volumes and wide range of products with global customer base. Increase in steel prices are controlled by diversifying its sources.

Inflation resulted in increase of employees' cost to Company and adverse impact on the economy.

SUBSIDIARY COMPANIES

The Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 defines a 'material non-listed subsidiary' as an unlisted subsidiary, incorporated in India, whose turnover or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

As such the Company does not have a 'material non-listed Indian subsidiary' under this definition.

BOARD COMMITTEES

The Board has reconstituted three committees viz. The Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee. These all committees are chaired by Non Executive Directors. The Board/ Committee meet regularly and are responsible for the proper management of the Company.

(3) Audit Committee and composition:

TERMS OF REFERENCE AND COMPOSITION:

The terms of reference and composition of the Audit Committee is in compliance with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee acts as a link between the Statutory, Internal Auditors and the Board of Directors. The Audit Committee was reconstituted on 05.11.2016 which comprises of three Non-Executive Independent Directors and one Non-Executive Director. Mr. Ravi Shankar Sharma is Chairman of the Committee, other members are Mr. Bijendra Singh, Mr. Madhav Roy and Mr. Rajesh Jain.

During the year 2016-17 Nine Audit Committee meetings were held on 28.05.2016(Original), 30.05.2016 (Adjourned to Original meeting dated 28.05.2016), 14.06.2016, 13.08.2016, 27.08.2016, 14.11.2016(Original), 21.11.2016 (Adjourned to Original meeting dated 14.11.2016), 14.02.2017, 25.02.2017 and 31.03.2017. The maximum gap between two meetings was less than 120 days. The attendance of Members during these meetings was as follows:

NAME OF MEMBER	CATEGORY	NO. OF MEETINGS ATTENDED
Mr. Bhawan Kumar Chaturvedi	Chairman*	5
Mr. Rajesh Jain	Member	2
Mr. Rakesh Puri	Member*	0
Mr. Ramesh Chandra Jain	Member*	5
Mr. Ravi Shankar Sharma	Chairman**	5
Mr. Bijendra Singh	Member**	5
Mr. Madhav Roy	Member**	5

* Mr. Rakesh Puri, Mr. Bhuwan Kumar Chaturvedi and Mr. Ramesh Chandra Jain, NEID resigned from the office of Director w.e.f. 29.06.2016, 31.08.2016 and 07.09.2016 respectively.

** Mr. Ravi Shankar Sharma, Mr. Bijendra Singh and Mr. Madhav Roy, NEID appointed w.e.f. 05.11.2016.

The Chief Financial Officer, Internal Auditors, partner of Statutory Auditors, Cost Auditors and other executives generally attended the meetings on invitation. As there was no Chairman of the Audit Committee on the date of last Annual General Meeting of the Company. Mr. Bhuwan Kumar Chaturvedi was the Chairman of the Audit Committee who had resigned from the Directorship of the Company w.e.f. 31.08.2016 and Mr. Ravi Shankar Sharma was appointed as Chairman of the Audit Committee w.e.f. 05.11.2016.

The Company Secretary acts as the Secretary of the Audit Committee.

POWERS OF AUDIT COMMITTEE

The audit committee shall have powers, which should include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

ROLE OF AUDIT COMMITTEE

The role of the audit committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of the Statutory Auditor of the Company.
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
4. Reviewing, with the management, the annual financial statements and Auditors' Report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings

- e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of Statutory and Internal Auditors, and adequacy of the internal control systems.
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 14. Discussion with internal auditors of any significant findings and follow up there on.
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
 18. To review the functioning of the Whistle Blower/ Vigil mechanism.
 19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
 20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- REVIEW OF INFORMATION BY AUDIT COMMITTEE**
- The Audit Committee shall mandatorily review the following information:
1. Management discussion and analysis of financial condition and results of operations;
 2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 3. Management letters/ letters of internal control weaknesses issued by the Statutory Auditors;
 4. Internal audit reports relating to internal control weaknesses; and
 5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
- (4) Nomination and Remuneration Committee**
- TERMS OF REFERENCE AND COMPOSITION:**
- The Committee's terms of reference and reconstitution are in compliance with the provisions of the Section 178 of The Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 besides other terms as may be referred by the Board of Directors.
- The terms of reference include:
- (a) Formulation of policy for determining qualifications, positive attributes and independence of a Director & Remuneration for the Directors, Key Managerial Personnel and Senior Management and recommending the same to the Board and

(b) Identification of person who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria as per the policy approved by the Board. The policy of the company is to remain competitive in the industry, to attract and retain the best talent and appropriately reward employed for their individual performance and contribution to the business.

(c) The Nomination and Remuneration Committee lays down the criteria for the performance evaluation of Independent Directors and other Directors, Board of Directors and committee of the Board of Directors.

The Non-Executive Director do not draw any remuneration from the company except the sitting fees which were paid at a rate of Rs. 20,000/- for meetings for each meeting of the Board/ Committee of the Board attended by them.

To review, assess and recommend the appointment of executive and non-executive directors from time to time, to periodically review the remuneration package of the executive directors and recommend suitable revision to the Board, to recommend compensation to the non-executive directors in accordance with the Companies Act.

The Company has a Nomination and Remuneration Committee. The Committee was reconstituted on 05.11.2016 which comprises of four (4) Non-executive Directors, out of which three (3) Directors are Independent Director. Mr. Madhav Roy, Non-executive Independent Director is the Chairman of the Committee, Mr. Ravi Shankar Sharma, Mr. Bijendra Singh and Mr. Rajesh Jain, are the members of the Committee. The said Committee reviewed the appointment of the Independent Directors and Senior Executives in the Company from time to time. In the earlier year, the committee revised the remuneration package of Whole Time Executive Directors of the Company and subsequently Company obtained the approval of the Board and Members through the postal ballot, the results of which was declared on 01.01.2016 effective from 30.12.2015 for the remaining period of 2 years of their appointment i.e. 01.01.2016 to 31.12.2017. Consequently the applications made to the Central Government for their approval. The Central Government approved the above said remuneration vide its letters No.SRN C78374097/3/2016-CL.VII, SRN C78372254/3/2016-CL.VII and SRN C78372638/3/2016-CL.VII dated 17.10.2016.

During the year 2016-17, four Nomination and Remuneration Committee meeting were held on 28.05.2016, 05.11.2016, 14.11.2016 and 30.12.2016. The attendance of Members during the meeting was as follows:

NAME OF MEMBER	CATEGORY	NO. OF MEETING ATTENDED
Mr. Rajesh Jain	Member	2
Mr. Bhuwan Kumar Chaturvedi	Member*	1
Mr. Ramesh Chandra Jain	Chairman*	1
Mr. Ravi Shankar Sharma	Member**	2
Mr. Bijendra Singh	Member**	1
Mr. Madhav Roy	Chairman**	2

* Mr. Bhuwan Kumar Chaturvedi and Mr. Ramesh Chandra Jain, NEID resigned from the office of Director w.e.f. 31.08.2016 and 07.09.2016 respectively.

** Mr. Ravi Shankar Sharma, Mr. Bijendra Singh and Mr. Madhav Roy, NEID appointed w.e.f. 05.11.2016.

The Company Secretary acts as the Secretary of Nomination and Remuneration Committee.

REMUNERATION POLICY

All the Non-Executive Directors are getting only sitting fees for attending the meetings of the Board and/ or Committees.

The payment of remuneration to Executive Directors is governed by the respective resolutions passed by the Meetings of Committees/ Board/ Members and approved by the Central Government. The remuneration structure comprises of Salary, Allowances, Perquisites and Contribution to Provident Fund. Remuneration of employees largely consists of base remuneration and perquisites.

The components of the total remuneration vary for different cadres and are governed by industry pattern, qualifications and experience of the employee, responsibilities handled by him, individual performance etc.

The objectives of the remuneration policy are to motivate employees to excel in their performance, recognize their contribution, retain talent in the organization and reward merit.

DETAILS OF REMUNERATION PAID IN THE FINANCIAL YEAR 2016-2017:

(a) Executive Directors:

MANAGING DIRECTORS/ JOINT MANAGING DIRECTOR	SALARY (₹)	PERQUISITES (₹)	RETIREMENT BENEFITS (₹)
Mr. Lalit Kumar Jain	66,00,000	64,08,000	7,92,000
Mr. Dinesh Kumar Jain	0	0	0
Mr. Vijay Kumar Jain	66,00,000	58,08,000	7,92,000
TOTAL	1,32,00,000	1,22,16,000	15,84,000

The appointment and remuneration of the above said executive directors were approved by the by the Central Government vide its letters no.SRNo.B60507860/04/2012-CL.VII, SRNo. B60508405/4/2012-CL.VII dated 17.09.2013 and SRNo.B60508736/0422011-CL.VII dated 29.10.2013 for a period of 5 years from 01.01.2013 to 31.12.2017 and 3 years from 01.01.2013 to 31.12.2015 respectively. Company has made applications to the Central Government for approval of remunerations for the remaining period of 2 years of their appointment from 01.01.2016 to 31.12.2017. The Central Government approved the above remuneration vide its letters No. SRN C78374097/3/2016-CL.VII, SRN C78372254/3/2016-CL.VII and SRN C78372638/3/2016-CL.VII dated 17.10.2016.

(b) Non-executive Directors:

All the Non-executive Directors are getting the sitting fee of Rs.20,000/- per Board/ Committee Meeting attended:

NAME OF THE DIRECTORS	SITTING FEE (₹)
Mr. Rajesh Jain	140000
Mrs. Sushila Devi Jain	40000
Mr. Bhuwan Kumar Chaturvedi	240000
Mr. Rakesh Puri	20000
Mr. Ramesh Chandra Jain	240000
Mr. Ravi Shankar Sharma	280000
Mr. Bijendra Singh	220000
Mr. Madhav Roy	280000
Mr. Kailash Sarup Bhatnagar	60000
Mr. Saumitra Choudhury	60000
TOTAL	1580000

DETAILS OF NO. OF SHARES HELD BY NON-EXECUTIVE DIRECTORS IN THE COMPANY:

NAME OF THE DIRECTORS	NO. OF SHARES
Mr. Rajesh Jain	1430804
Mrs. Sushila Devi Jain	310415
Mr. Bhuwan Kumar Chaturvedi*	NIL
Mr. Rakesh Puri*	NIL
Mr. Ramesh Chandra Jain*	NIL
Mr. Ravi Shankar Sharma**	NIL
Mr. Bijendra Singh**	NIL
Mr. Madhav Roy**	NIL
Mr. Kailash Sarup Bhatnagar**	5935
Mr. Saumitra Choudhury**	NIL

* Mr. Rakesh Puri, Mr. Bhuwan Kumar Chaturvedi and Mr. Ramesh Chandra Jain, NEID resigned from the office of Director w.e.f. 29.06.2016, 31.08.2016 and 07.09.2016 respectively.

** Mr. Ravi Shankar Sharma, Mr. Bijendra Singh, Mr. Madhav Roy, Mr. Kailash Sarup Bhatnagar and Mr. Saumitra Choudhury, NEID appointed w.e.f. 05.11.2016, 05.11.2016, 05.11.2016, 14.11.2016 & 30.12.2016 respectively.

(5) Stakeholder Relationship Committee:

COMPOSITION:

Stakeholder Relationship Committee comprises of three directors under the Chairmanship of Mr. Rajesh Jain, Non-executive Director and other members being Mr. Lalit Kumar Jain and Mr. Dinesh Kumar Jain. The Committee focuses primarily on strengthening investor relations and ensuring the rapid resolution of any shareholder or investor concern including the followings.

- Approval/ rejection of transfer/ transmission of shares and issue of duplicate share certificates.
- Review and Redressal of shareholders' and investors' grievances/ complaints like non receipt of dividend warrants, share certificates and annual reports etc.
- Review of shares dematerialized and all other related matters.
- All other matter related to shares.

The members of the Committee meet with in a 10 days time, as when required for share transfer and other said purposes. During the year 2016-17, seven Stakeholder Relationship Committee meetings were held.

Mr. Santosh Kumar Sharma, Company Secretary acts as the Secretary of Stakeholder Relationship Committee and Compliance officer of the Company.

During the year, the Company has not received any complaint of Members from SEBI/ Stock Exchange. However, the Company endeavors to reply and resolved all the complaints received from the SEBI/ Stock Exchanges/ Members within a period of 10 days. As on March 31, 2017, there was no pending cases of complaint, share transfer and dematerialization requests with the Company/ RTA.

The members may email to M/s. MCS Share Transfer Agent Limited at admin@mcsregistrars.com and endorse a copy to Compliance Officer at the email id complianceofficer@lpsindia.com for early response of their queries.

All the members of the Company are being informed that M/s. MCS Share Transfer Agent Limited (Registrar and Share Transfer Agent) have developed 'ON LINE SERVICES' facilities for the members/ investors of the Company. Accordingly, members are requested to avail online services with regard to Investor Grievances by lodging in on the site of M/s. MCS Share Transfer Agent Limited www.mcsregistrars.com, and then by clicking on "Investor Relation". This way members can register their queries/ grievances or obtain details as required by them. The registered queries/ grievances on the site will be responded by M/s. MCS Share Transfer Agent Limited on priority basis.

TERMS OF REFERENCE:

The Committee's terms of reference are in compliance with the provisions of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(6) Corporate Social Responsibility (CSR) Committee:

The Committee's terms of reference and constitution are in compliance with the provisions of the Section 135 of the Companies Act, 2013 and Rules made there under.

The Committee was constituted on 29.05.2014. The Committee discharge the role of CSR u/s 135 of the Companies Act, 2013 which includes formulating and recommending to the Board a CSR policy and indicating the activities undertaken by the Company as per Schedule VII of The Companies Act, 2013. As there is loss on the basis of average net profit of the Company for last three financial years. The Company does not require to spent any money during current year. The Company has framed a CSR policy in compliance with the Clause 49 of the Listing Agreement and provisions of the Companies Act, 2013 and the same is placed on the Company's website i.e. www.lpsindia.com. The CSR committee confirms that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.

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

(7) General Body Meeting:

(a) Details of Annual General Meetings held during the last three years:

MEETINGS	DATE	TIME	VENUE	NO. OF SPECIAL RESOLUTION(S) PASSED
Annual General Meeting	29.09.2016	11:30 A.M	46/1, Mile Stone, Hissar Road, Rohtak (Haryana)	NIL
Annual General Meeting	29.09.2015	11:30 A.M	46/1, Mile Stone, Hissar Road, Rohtak (Haryana)	NIL
Annual General Meeting	30.09.2014	11:30 A.M	46/1, Mile Stone, Hissar Road, Rohtak (Haryana)	Ten 1. Obtained post facto approval of the contract for purchase of industrial items from M/s. Sudhir Automotive Industries Pvt. Ltd. 2. Approved new set of Articles of Association. 3. Authority to borrow under Section 180(1)(c). 4. Authority to borrow under Section 180(1)(a). 5. Appointment and revision in the remuneration package of Mr. Sudesh Kumar Jain as Executive Vice President (Marketing), relative of one of the Directors of the Company. 6. Appointment and revision in the remuneration package of Mr. Nikhlesh Kumar Jain as Vice President (Marketing), relative of one of the Directors of the Company. 7. Appointment and revision in the remuneration package of Mr. Amit Kumar Jain as Vice President (Exports), relative of some of the Directors of the Company. 8. Appointment and revision in the remuneration package of Mr. Gagan Jain as Vice President (Operations), relative of some of the Directors of the Company. 9. Appointment and revision in the remuneration package of Mr. Gautam Jain, Vice President (Business Development), relative of one of the Directors of the Company. 10. Appointment and revision in the remuneration package of Mr. Rahul Jain, Vice President (Supply Chain), relative of one of the Directors of the Company.

(b) No special resolution was passed through postal ballot in last year 2015-16.

(c) No special resolution requiring postal balloting as recommended under the provisions of the SEBI (LODR) Regulations, 2015, is proposed to be placed for members' approval at this meeting therefore procedure for postal ballot is not required to be mentioned.

(8) Means of communication:

Information like Quarterly/ Half-yearly/ Annual Audited Financial Results are published by the Company in newspapers viz. Financial Express (English edition) and Jansatta (Hindi edition). The quarterly shareholding pattern, quarterly/ half-yearly/ yearly results and Corporate Governance Report are also placed on the Company's website <http://www.lpsindia.com> under the head of 'Overview' for the purpose of household of the Members. As the Company publishes the Unaudited Financial Results within a stipulated period of 45 days and Audited Annual Results within a period of 75 days against stipulated period of 60 days from the close of financial year i.e. March 31, 2017 as permitted under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The various other reports and returns are also filed with the Stock Exchanges and the Registrar of Companies.

All the data required to be filled electronically, such as quarterly financial results, shareholding pattern are being regularly uploaded on the Company's website pursuant to Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Annual Report containing interalia Audited Annual Accounts, Board's Report, Auditors' Report and other important information forming part of Annual Report is displayed on the Company's website.

During the year, the Company has not made any formal presentation to institutional investors or analysts. A Management Discussion & Analysis Report which also forms part of the annual report is given by means of a separate annexure and is attached to the Board's Report.

(9) General Shareholders Information and financial calendar 2016-17:

I) Annual General Meeting is proposed to be held on Friday, 29th September, 2017 at 11:30 A.M. at the Registered Office i.e. 46/1, Mile Stone, Hissar Road, Rohtak – 124001 (Haryana).

II) Financial calendar (tentative and subject to change):

Financial Reporting for the quarter ending June 30, 2017	Mid of August, 2017
Mailing of Annual Reports to the Members	Starting of September, 2017
Annual General Meeting for the financial year 2016-17	End of September, 2017
Financial Reporting for the half-year ending September. 30, 2017	Mid of November, 2017
Financial Reporting for the quarter ending December 31, 2017	Mid of February, 2018
Financial Reporting for the year ending March 31, 2018	End of May, 2018

III) Dates of Book closure: Friday, 22nd September, 2017 to Friday, 29th September, 2017. (both days inclusive))

IV) Dividend payment date: The Board has not recommended any dividend for the Financial year 2016-17 to the members of the Company.

V) LISTING OF EQUITY SHARES ON STOCK EXCHANGES AT:

The Bombay Stock Exchange Ltd. (BSE)	- Stock Code	506079
The National Stock Exchange of India Ltd. (NSE)	- Stock Code	LAKPRE

The Annual Listing fees for the year 2017-18 have not been paid to the above Stock Exchanges till date. The Company has paid the annual custody fee for the year 2017-18 to National Securities Depository Limited (NSDL). Further, the Company has not paid the annual custody fee for the year 2017-18 to Central Depository Services (India) Limited (CDSL) till date.

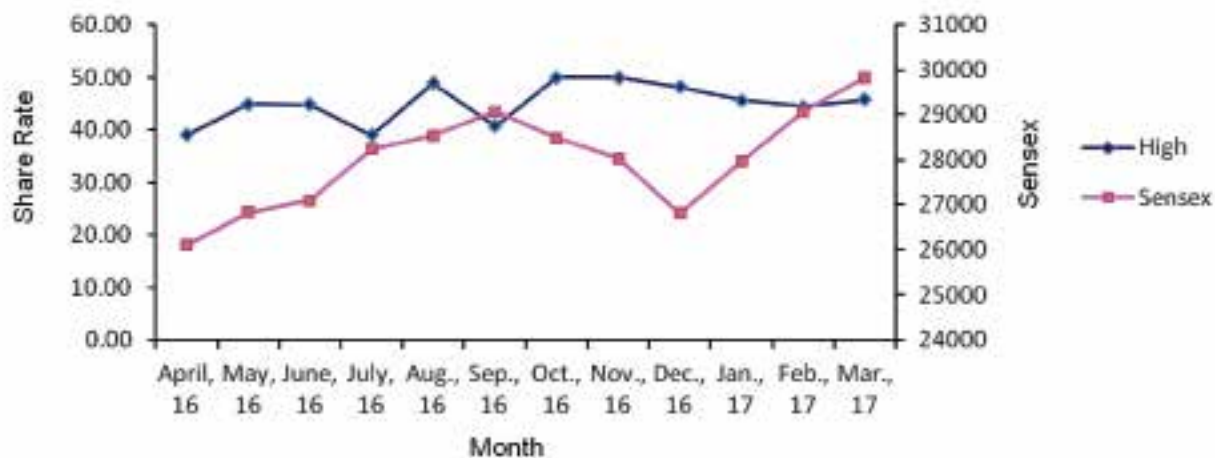
(VI) MARKET PRICE DATA:

Market Price Data for the financial year 2016-17

YEAR	NATIONAL STOCK EXCHANGE		BOMBAY STOCK EXCHANGE		
	2016-17 (MONTH)	HIGH (₹)	LOW (₹)	HIGH (₹)	LOW (₹)
Apr. - 2016	37.95	32.25	39.00	31.70	26100
May - 2016	45.00	34.20	44.90	32.30	26837
Jun. - 2016	40.00	34.45	44.75	34.10	27105
Jul. - 2016	38.20	33.60	39.00	35.15	28240
Aug. - 2016	44.10	34.00	48.85	35.40	28532
Sep. - 2016	42.95	35.00	40.70	35.20	29077
Oct. - 2016	49.00	35.90	50.00	36.45	28478
Nov. - 2016	50.90	34.15	50.00	35.50	28030
Dec. - 2016	47.50	35.10	48.15	35.10	26804
Jan. - 2017	44.45	38.30	45.60	39.10	27980
Feb. - 2017	41.65	35.20	44.40	37.00	29065
Mar. - 2017	45.65	35.50	45.70	35.75	29825

(VII) PERFORMANCE OF SHARE PRICE OF THE COMPANY IN COMPARISON TO BSE SENSEX:

Index Comparison – LPS Share Price Vs BSE Sensex



(VIII) CHANGE IN REGISTRAR AND SHARE TRANSFER AGENT (W.E.F. 28.07.2015)

M/s. MCS Share Transfer Agent Limited

F- 65, First Floor, Phase – I, Okhla Industrial Area, New Delhi – 110 020.

Tel: +91-11-41406150 • Fax: +91-11-41709881

E-mail: admin@mcsregistrars.com • Website: www.mcsregistrars.com

M/s. MCS Limited, New Delhi, was appointed w.e.f. 31.03.2003 as the Registrar and Share Transfer Agent of the Company for handling both electronic and physical shares. Now M/s. MCS Share Transfer Agent Limited has been appointed as RTA w.e.f. 28.07.2015.

(IX) SHARE TRANSFER SYSTEM:

The Shares of the Company are traded in the compulsory demat mode for all investors. The shares sent for transfer in physical form are registered within a prescribed period (if in order and complete in all respects) and the shares certificates are immediately returned to the shareholders. In respect of requests received for dematerialization of shares, the same is confirmed to the respective Depositories i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) within the stipulated time. All the Share Transfers request received are being approved by Stakeholder Relationship Committee, which meets as and when required.

In compliance with the Regulation 40 (9) & (10) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, after end of each half of the financial year, a practicing Company Secretary audits the system of transfer and a compliance certificate to that effect is issued which, in turn, is submitted to the Stock Exchanges. Also, in compliance with the SEBI (Depositories and Participants) Regulations, 1996, for timely dematerialization of the shares of the Company and for reconciliation of share capital of the Company, a quarterly Reconciliation of Share Capital Audit is being conducted by a practicing Company Secretary and the Reconciliation of Share Capital Audit is issued which, in turn, is submitted to the Stock Exchanges. The above said compliance certificate and Reconciliation of Share Capital Audit are also placed before the Board from time to time for their noting.

International Securities Identification Number: INE651C01018

(Demat ISIN Code for NSDL & CDSL)

(X) DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2017:

SHAREHOLDING OF NOMINAL VALUE (₹)	NO. OF SHAREHOLDERS	% OF TOTAL	NO. OF SHARES	NOMINAL VALUE (₹)	% OF NOMINAL VALUE
Up to 5000	5881	88.22	746680	7466800	6.82
5001 to 10000	369	5.54	293102	2931020	2.68
10001 to 20000	201	3.03	304203	3042030	2.78
20001 to 30000	62	0.93	151714	1517140	1.39
30001 to 40000	26	0.39	90963	909630	0.83
40001 to 50000	24	0.36	111432	1114320	1.02
50001 to 100000	43	0.64	314461	3144610	2.87
100001 and above	59	0.89	8929112	89291120	81.61
TOTAL	6665	100.00	10941667	109416670	100.00

(XI) SHAREHOLDING PATTERN AS ON 31ST MARCH, 2017:

PARTICULARS OF SHAREHOLDERS	NO. OF SHAREHOLDERS	NO. OF SHARES	% OF SHAREHOLDING
Banks & Financial Institutions	6	1925	0.018
Foreign Institutional Investors	3	1250	0.011
NRIs/ OCBs	51	30258	0.277
Mutual Funds	2	700	0.006
Private Corporate Bodies	151	216617	1.980
Promoter and Promoter Group	23	6880287	62.882
Persons acting in concert	2	30733	0.281
General Public	6427	3779897	34.545
TOTAL	6665	10941667	100.000

(XII) DEMATERIALIZATION OF SHARES AND LIQUIDITY:

As on 31st March, 2017, 96.94% of Company's total paid up capital representing 1,06,07,389 equity shares of Rs.10/- each were held in dematerialized form [i.e. 78,78,480 shares (72%) with NSDL and 27,28,909 shares (24.94%) with CDSL] and balance 3.06% representing 3,34,278 equity shares of Rs.10/- each shares were held in physical form.

The trading in Company's shares is permitted compulsorily in dematerialized form from 26.06.2001 as per notification issued by SEBI. It is advisable that the members who have shares in physical form, may get their shares dematerialized by sending their request to the Registrar and Share Transfer Agent through their Depository Participant.

(XIII) The Company has not issued any GDRs/ ADRs/ Warrant or any Convertible Instruments as such there will be no impact on the equity.

Pursuant to Clause 5A of the Listing Agreement, maintenance of Demat Account - Unclaim Suspense Account is not applicable.

(XIV) PLANT LOCATIONS

Plant – I:

Lakshmi Precision Screws Limited
46/1, Mile Stone, Hissar Road
Rohtak – 124 001

Plant – II:

Lakshmi Precision Screws Limited
Opp. Northern Bye Pass, Hissar Road
Rohtak – 124 001

Plant – III:

Lakshmi Precision Screws Limited
153, Sector-3, IMT Manesar, Gurgaon

Plant – IV:

Lakshmi Precision Screws Ltd.
15th KM Mile Stone, NH-10, Delhi Rohtak Road
VPO-Kharawar, Rohtak – 124 001

(XV) ADDRESS FOR CORRESPONDENCE

The Company Secretary & Compliance officer

Lakshmi Precision Screws Limited, Plant-II
Opp. Northern Bye Pass, Hissar Road, Rohtak – 124 001.(Haryana)
Tel : +91-1262-249920
Fax : +91-1262-248297
E-mail : complianceofficer@lpsindia.com

(XVI) COMPLIANCE

The Company obtains a certificate dated 20.06.2017 from the Practising Companies Secretary, regarding compliance of conditions of SEBI (LORD) Regulations, 2015 on Corporate Governance', and (said certificates is attached to the Board's Report and forms a part of the Annual Report, The said certificate is sent to the Members and Stock Exchanges along with this Annual Report of the Company.

(XVII) NON-MANDATORY REQUIREMENTS PRESCRIBED IN SEBI (LORD) REGULATIONS, 2015:

The Company has complied with all mandatory requirements of Regulation SEBI (LORD) Regulations, 2015. The Company has also adopted following non-mandatory requirements:

1. Reporting of Internal Auditor

The Internal Auditor is directly reporting to members of the Audit Committee in respective Audit Committee Meeting.

(10) Other disclosures

- The Company has disclosed the transactions with related parties as per Accounting Standard 18 in **Note No.34 (13)(a)(b)** of the Annual Accounts, which have been entered with its Subsidiary, Associates, Key Managerial Personnel, their relatives and other related parties. Pursuant to the Regulation 23 of the SEBI (LODR) Regulations, 2015 the Company has formulated a Related Party Transactions Policy on dealing with related party transaction and a web link thereto is <http://lpsindia.com/related-party-transaction-policy.pdf>. During the year, there were no transactions of material nature with the Directors or the Management or its subsidiaries or relatives that had potential conflict with the interest of the Company. All related party transactions are generally with its Joint Venture/ associates and are entered into based on considerations of various business exigencies. All related party transactions are negotiated on arms length basis and are intended to further the Company's interest. The Audit Committee of the Company reviews the significant related party transactions in its meetings.
- There were neither any non-compliance by the Company on any matters relating to capital markets during the last three years; (except delay in filing of shareholding pattern and financial results during

the financial year 2016-17, nor did the Company attract any penalties or strictures by the Stock Exchanges, SEBI or any Statutory Authority except as stipulated in Secretarial Auditor Report which is annexed to this report.

- The Company has Whistle Blower/ Vigil Mechanism Policy and no personnel has been denied access to the Audit Committee. Details about the Whistle Blower Policy can be accessed at www.lpsindia.com/overview.aspx
- The senior management has made disclosures to the Board relating to all material financial and commercial transactions stating that they did not have any personal interest that could result in a conflict with the interest of the Company.
- The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of financial statements, the Company has not adopted a treatment different from that prescribed in any Accounting Standard.

REPORT ON CORPORATE GOVERNANCE

A report on Corporate Governance forms part of the Annual Report of the Company and is sent to the shareholders accordingly. The Company also submits a quarterly compliance report on Corporate Governance to the Stock Exchanges within 15 days from the close of the quarter.

CEO/ CFO CERTIFICATION

The Chairman and Managing Director (CEO) and the Chief Financial Officer (CFO) have certified to the Board in accordance with Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to CEO and CFO certification for the financial year ended March 31, 2017.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

*Pursuant to Regulation 34 read with clause B of Schedule V of the SEBI (LODR) Regulations 2015
(Forms an integral part of Board's Report)*

INDUSTRY STRUCTURE AND DEVELOPMENT

With the increasing growth in demand on back of rising income, expanding middle class and young population base, in addition to a large pool of skilled manpower and growing technology, will propel India to be among the world's top three auto-producers by 2026 as per AMP-2026. The latest budget India's CAD has also come down to 0.3% of GDP in first half of 2016-17 as against 1.0% GDP of last year 2015-16.

CPI based inflation declined to 3.4% in December 2016 from 6% in July and 5.4% in financial year 2015-16. Foreign exchange reserves of were at the highest ever level of about 361 billion US dollars on January 20, 2017 as against 350 billion US dollars in last fiscal year 2015-16, in spite sharp decline in Foreign Investment in overall world.

Economic Growth rate forecast was revised to 7.1% from 7.6 % due to war against corruption initiated by the Government of India on November 08, 2016 in form of demonetization due to which 86% of India's currency in circulation was abolished its legal tender; However in first quarter of financial year 2017-18 The Indian economy advanced growth rate of 6.1 percent year-on-year, slowing sharply from a 7 percent expansion in the previous period in the year 2016 and well below market expectations of 7.1 percent. It was the lowest growth rate since the last quarter of 2014, due to a slowdown in consumer spending and a drop in investment, following the demonetization program. In addition, the government changed the GDP base year for 2011-2012 from 2004-2005.

The Indian auto industry is one of the largest in the world. The industry accounts for 7.1 per cent of the India's Gross Domestic Product (GDP) as per AMP 2006-2016. For the last few years the Auto Industry has been going through low sentiments. Despite the meager growth in past, the automotive market is expected for steady growth in the coming years.

Auto Sector is a major employment generator, GDP contributor, FDI earner and major instrumental in shaping the Indian Economy and one of the important contributors for all success of Make in India initiative of Government of India. In order to furtherance of structured Growth of Automotive Industry, the requirement of stable policy of Government of India is needed. The collective efforts of Government of India (Government) and Indian Automotive Industry Automotive Mission Plan-2016-2026(AMP-2026) was framed with aim:

- To propel Indian Automotive industry to the engine of the make in India program, which is expected to contribute in excess of 12% of India's GDP.
- To make Indian Automotive industry a significant contributor to Skill India program which resulted to make this sector one of the largest job creating engine in Indian economy by creating 65 million additional job by 2026.
- To seeks enhancing universal mobility for every person in the country, with eye on environmental protection, affordability through both public and personal transport.
- To increase the export of vehicle by 5 times and component by 7.5 times and in next 10 years the Indian Automotive Sector becomes one of the major automotive export hub in the world.
- To provide comprehensive and stable policy for development of Automotive industry.

As first AMP-2006-16 had come to end in the year 2016, it is pertinent for us to highlight its achievements, which are as under:

- The Automotive Industry has achieved the target of incremental job creation of 25 million over the past.
- India has attracted significant quantum of investment from Global and local OEM as well as components manufacturer, exceeding the target of Rs.1,57,500/- crores.
- While domestic sale volume target of commercial vehicles, passenger vehicles and tractors have achieved however there are decline in sales volume by the components, two and three wheeler manufacturers as compared to target set.

India has implemented Bharat Stage –IV (BS IV) emission norms with effect from April 01, 2017. AMP-2026 set the target that BS-V emission norms may be adopted by India in year 2019 for new models and BS-Vi to be adopted by 2023 for four wheeler vehicles.

AMP 2026 recognizes the clear roadmap of safety norms over next decades, which makes India to comply with Global Standard of safety.

In addition to framing of AMP-2026, Government of India has taken several others initiatives in recent for Automotive Sector, which are as under:

Introduction of a new Green Urban Transport Scheme with a central assistance of about Rs 25,000 crores (US\$ 3.75 billion), aimed at boosting the growth of urban transport along low carbon path for substantial reduction in pollution, and providing a framework for funding urban mobility projects at National, State and City level with minimum recourse to budgetary support by encouraging innovative financing of projects.

- To promote eco-friendly cars in the country i.e. CNG based vehicle, hybrid vehicles, and electric vehicles and also made mandatory of 5 per cent ethanol blending in petrol.
- The Government has formulated a Scheme for Faster Adoption and manufacturing of Electric and Hybrid Vehicles in India, under the National Electric Mobility Mission 2020 to encourage the progressive induction of reliable, affordable and efficient electric and hybrid vehicles in the country.

Auto industry has attracted Foreign Direct Investment (FDI) worth US\$ 15.79 billion during the period April, 2000 to September, 2016, according to data released by Department of Industrial Policy and Promotion (DIPP).

Through the period when growth had slowed down and the economy was not very favorable, Maruti sustained its position as the market leader and continued to grow and this is attributable to higher localization, favorable foreign exchange and cost reduction initiatives by the Company. Maruti expects Indian passenger car market to reach four million units by 2020, up from 1.97 million units in 2014-15.

OPPORTUNITIES AND THREATS

a) Opportunities

The Indian automobile industry has tremendous potential to grow. India is very cost sensitive market and has an edge in cost over the European market. Keeping in view of the potential in Indian Market all leading automotive manufactures are launching new models in the Indian Market and also shifting their focus from import to localizing their parts to take the advantage of cost reduction and avoid forex fluctuation. It is expected that in the coming years India will be one of the top five vehicle manufacturing nation. It is emerging as global hub for auto component sourcing.

b) Threats

The potential in automotive segment has to overcome the following challenges:

1. The industry is facing the low liquidity
2. Increasing Cost of Input
3. Growing competition at domestic as well as overseas market
4. Still High Interest Rates
5. Lack of proper infrastructure
6. Government Fiscal policy and impact after implementation of GST.
7. World economy faces considerable uncertainty, in the aftermath of major economic and political developments
8. Pressures for protectionism at global

During the year, your Company focused its attention on long term initiatives despite challenging market situations, with special focus on Research and Development.

SEGMENTWISE PERFORMANCE

The Company is in the business of manufacture of high tensile fasteners. Since the Company is operating in a single line of product, there are no reportable primary segments.

Domestic sales were at Rs.251 crores as against Rs.279 crores (approx.) in the previous year in the light of increase in sales of heavy and medium commercial vehicles, passenger vehicles and two/ three wheelers. There was a steep drop in production of light commercial vehicles and tractors. It is expected that the total Domestic sales in Financial Year 2017-18 will grow by 29% on present sale of Rs. 251 crores.

Global economy recovered modestly though not uniformly across all regions. Global markets continued to be hit by recession and negative sentiments. Exports were decreased to Rs.7.45 crores in the year 2016-17 as against Rs.30.85 crores (approx.) in the previous year.

OUTLOOK

The new Government having full majority has clearly indicated its agenda for reviving of growth trend in India. The Automotive Industry accounts for 45% of India's manufacturing GDP, 7.1 of India's GDP and employs about 19 million people both directly and Indirectly.

India is currently the sixth largest producer in the world with an average annual production of 24 million vehicles, of which 3.64 million are exported and as per AMP 2016-26 it will be among the world's top three auto-producers by 2026. Indian Automotive industry is expected to contribute in excess of 12% of India's GDP and will create 65 million Additional Job by the year 2026.

Government of India recently has taken numbers of reforms and one of the important reform since independence is passing of GST law in the Country and decided for implementing of GST with effect from July 01, 2017 which will make India as a market where one country one tax concept become true, which is expected to decrease inflation and make goods for common man cheaper, and attract FDI boost Auto Sector Industry as well as generate new employment both in manufacturing and Service sector.

RISK AND CONCERNS

The Company is exposed to external and internal risks associated with the business. The Company's growth is dependent on its customers majorly from the Indian Automotive Industry, which is facing a low phase for the last few years. However the Company has widen its operations in terms of product portfolio, customer base and geographical segment.

The Company is also facing stiff competition from domestic and overseas as well as facing financial crunches. Your Company has an established name in the market and has enough strength in terms of product range, capacity and high standards for quality to face the competition.

Financial risk in terms of increased interest rates, foreign exchange rates, increase in commodity prices are also a concern for the Company. Though the Company always cautious for such concerns and time to time review its policy to check these concerns.

Your Company is well equipped to face all kinds of risk and concerns, and confirm that the Company has a policy on foreign exchange risk management in place which is periodically reviewed by Audit Committee and Board of Directors.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has a proper and adequate system of internal control to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, reported and recorded correctly. Further internal audit covers all the areas e.g. Finance, Production, IT, HR, Purchase, Statutory Compliance etc. and regular audits are conducted by Internal Auditors. The Audit observations are periodically reviewed by the Audit Committee of the Board of Directors and necessary directions are issued, wherever required.

FINANCIAL PERFORMANCE

The details of the financial performance of the Company are appearing in the Balance Sheet, Profit & Loss Account and other financial statements forming part of this Annual report. For financial highlights please refer heading 'FINANCIAL RESULTS' of Board's Report.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company believes that the employee is the first customer an organization has to win, and to fulfill this purpose it is important to have a team whose members are well conversant with both technical and commercial knowledge.

Being a manufacturing Company, workers form an important link in the chain of growth. A congenial atmosphere has been created at the shop floor level and all facilities required for a secure and cordial environment are provided. Management at all level takes care of the interest of the workforce and frequent interactive sessions are conducted throughout the year.

Your Company continues to reward to its talented employees at all levels to recognize every effort made towards improvement in the workplace through Kaizen, Quality Circles, TPM, TQM, 5S activity and individual/team contributions.

The employee-management relations have remained positive throughout the year. Initiatives are being taken to enhance the productivity of employees. Total employee strength of the Company is about 954 people employed in manufacturing plants and branch offices across the Country. The team of employees consists of people who are experts in their respective and allied fields.

Note:

References were taken from AMP-2016-2026, key features of budget of 2017 as available at <http://indiabudget.nic.in>, writes up available at <http://www.makeinindia.com>, <https://www.ibef.org>, and <http://www.siamindia.com/>

CAUTIONARY STATEMENT

Statements in the 'Management Discussion and Analysis' describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. The actual results could differ substantially or materially from those expressed or implied. The important developments that could affect the Company's operations including demand and supply situation in the automobile sector, input prices and their availability, significant changes in the government policies/ regulations and economic environment in India, exchange rate fluctuations, tax laws, litigation, labour relations, interest cost and other factors. Therefore, all concerned should bear all above factors in mind

DECLARATION REGARDING ADHERENCE TO THE CODE OF CONDUCT

To
The Board of Directors
Lakshmi Precision Screws Limited
46/1, Mile Stone, Hissar Road
Rohtak – 124001. (Haryana)

I, Lalit Kumar Jain, Chairman & Managing Director of the Company hereby certify that the Board of Directors and the Senior Management Personnel have affirmed compliance of the Code of Conduct of the Company for the Financial Year 2016-17.

PLACE:
AUDITOR: NEW DELHI
BOARD: ROHTAK
DATED: 20TH JUNE, 2017

for LAKSHMI PRECISION SCREWS LIMITED
SD/-
LALIT KUMAR JAIN
Chairman & Managing Director
DIN: 00061293

CERTIFICATION BY CEO & CFO

To
The Board of Directors,
Lakshmi Precision Screws Limited
46/1, Mile Stone, Hissar Road
Rohtak – 124001, Haryana

Ref.: Certification by CEO/ CFO for the financial year 2016-17.

We the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Lakshmi Precision Screws Limited, to the best of our knowledge and belief certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the financial year 2016-17 and that to the best of our knowledge and belief:
- i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's Affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operations of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee, wherever applicable, the following:
- i) significant changes in internal controls over financial reporting during the year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

for LAKSHMI PRECISION SCREWS LIMITED

PLACE:
AUDITOR: NEW DELHI
BOARD: ROHTAK
DATED: 20TH JUNE, 2017

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

SD/-
KANAI LAL GHORUI
Chief Financial Officer (CFO)

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Lakshmi Precision Screws Limited
46/1, Mile Stone, Hissar Road
Rohtak – 124001, Haryana

We have examined the compliance of conditions of Corporate Governance by **Lakshmi Precision Screws Limited** having its Registered Office at 46/1, Mile Stone, Hissar Road, Rohtak, 124001 (Haryana) for the Year ended March 31, 2017 as stipulated in Regulation 17 to 27 of the SEBI (LODR) Regulations 2015 read with Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in Regulation 17 to 27 of the SEBI (LODR) Regulations, 2015 except constitution of Board which is not in accordance with Regulation 17 till December 30, 2016 there after the composition of the board is in consonance with Regulation 17 to 27 of the SEBI (LODR) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

PLACE: NEW DELHI
DATED: 20TH JUNE, 2017

For GAURAV SRIVASTAVA & ASSOCIATES
Company Secretary

SD/-
CS GAURAV SRIVASTAVA
Proprietor
M.No-50828
C.P. No-18462



STANDALONE
FINANCIAL STATEMENT



To,
The Members of
M/s. Lakshmi Precision Screws Limited
46/1, Mile Stone, Hisar Road, Rohtak-124001

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of Lakshmi Precision Screws Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

BASIS FOR QUALIFIED OPINION

1. *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.*
2. *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.*
3. *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.*
4. *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.*
5. *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.*
6. *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.*
7. *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.*
8. *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 has also taken advances of Rs. 7,14,00,000/- prior to 01.04.2014. The same has now been considered as acceptance of deposits which is in violation of Section 76 of Companies Act, 2013 read together with Companies (Acceptance of Deposits) Rules, 2014. The outstanding balance of deposits in violation of Section 76 of the Companies Act, 2013 as on 31.03.2017 amounts to Rs. 4,80,55,000/-. This matter is under litigation in Punjab & Haryana High Court.
9. *The Company has taken unsecured loans from Companies amounting to Rs.1,00,00,000/- 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.*
10. *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.*

Special items are intended for exports sale. As the Company is not having significant export orders and hence such special items should be valued at lower prices and provision should be made for impairment.

QUALIFIED OPINION

In our opinion and to the best of our information and according to the explanations given to us, subject to the possible effects of the matters described in the Basis for Qualified Opinion paragraphs, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2017, its losses, and its cash flows for the year ended on that date.

EMPASIS OF MATTER

1. Attention is invited to note no. 34(27) of the financial statements, wherein the Company, has changed its accounting policy of depreciation from written down value method to straight line method with respect to Dies and Tools in Plant-I & IV in the current financial year thereby writing back excess depreciation charged in earlier years amounting to ₹ 13,08,55,707/- and adjusting the same under the head "Other expenses" (note no. 29).
2. Attention is invited to note no. 34(29) of the financial statements, wherein the Company, has changed the price list used for valuation of cost of the finished goods and work-in-progress considering the selling prices of finished goods mentioned in the revised price list as on 01.01.2015. The above change in price list has resulted in increase in closing value of work-in-progress by ₹ 1,61,05,076/- and of finished goods by ₹ 79,58,996/-, with total increase in cost of inventory by ₹ 2,40,64,072/-.
3. Attention is invited to note no. 34(30) of the financial statements, wherein the Company, has changed the accounting policy with regard to research and development expenses incurred during the year which have been amortized @ 20% per annum keeping in view future economic benefits to be generated in 5 financial years, including the financial year in which expenditure is incurred.

Our opinion is not modified in respect of above matters.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) Except for the effects of the matter described in the "Basis for Qualified Opinion paragraph" above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) Subject to the possible effects of the matter described in the "Basis for Qualified Opinion paragraph" above, in our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) The matters described in clauses 1, 2 and 8 of the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (refer Annexure A) in our opinion, may have an adverse effect on the functioning of the Company;

(f) On the basis of written representations received from the directors as on 31st March, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, from being appointed as a director in terms of Section 164(2) of the Act;

(g) The matters described in the "Basis for Qualified Opinion Paragraph" above and clauses 1(a),1(b), 2, 3(b), 3 (c),5,6,7 and 8 of the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act(refer Annexure A) in our opinion are related to the maintenance of accounts and other matters connected therewith;

(h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**" to this report;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 33;
2. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long –term contracts including derivatives contracts;
3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
4. The company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 31 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 35 to the standalone financial statements.

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

The Annexure A referred to in our report to the members of Lakshmi Precision Screws Limited for the year ended 31.03.2017. We report that:

1. a. The Company has maintained proper records showing full particulars including quantitative details of fixed assets. However, the same needs updation with regard to item-wise identification and situation of fixed assets. The Company has capitalized dies and tools of Rs.49,95,884/- during the financial year 2016-17.

b. The Company has a phased periodical programme of physical verification of all fixed assets, which in our opinion is reasonable having regard to the size of the Company and the nature of its business. No material discrepancies have been noticed on such verification. However no physical verification has been conducted in respect of dies and tools during the financial year 2016-17 and therefore cannot be commented upon.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, all the title deeds of the immovable properties are held in the name of the company. As informed to us, the original title deeds are in possession of bankers and mortgagees from whom credit facilities have been taken. Therefore, based on our audit procedures and the information and explanations given to us, we report that the title deeds of immovable properties of the Company held as fixed assets are held in the name of the Company.

2. As per explanations and reports provided to us, physical verification in respect of inventories of Raw Material has been done by the management and in respect of inventory of Finished Goods,

Semi- Finished Goods (Work In Progress) and Consumable Stores and Spares have been conducted by the management on random sample basis. However, in absence of a complete physical verification of Inventories covering all items, we are unable to comment whether discrepancies between book records and physical verification are material.

3. a) In our opinion and according to the information and explanations given to us, the Company has not granted any loan during the year to parties covered in the register maintained under section 189 of the Companies Act, 2013. However, the Company has an outstanding balance of loan of Rs. 55,00,003/- due from M/s Hanumat Wires Udyog Private Limited, which was granted in earlier years and outstanding as on 31.03.2017. Since no loan has been granted during the year, para 3(iii)(a) of the Order is not applicable to the Company and hence not commented upon.

b) According to the information and explanations received by us, the schedule of repayment of principal and payment of interest has not been stipulated between the Company and the related parties listed in the register maintained under section 189 of the Companies Act, 2013 and hence we are unable to comment upon the regularity of repayments or receipts.

c) The amount due from parties covered in the register maintained under section 189 of the Companies Act, 2013 is more than three years old. And in absence of schedule of repayment and payment of interest, we are unable to comment upon whether any amount is overdue for more than ninety days and whether any steps for recovery have been taken by the Company.

4. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities granted during the year in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable. Therefore, para 3(iv) of the Order is not applicable to the Company and hence not commented upon.

5. 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 has also taken advances of Rs. 7,14,00,000/- prior to 01.04.2014. The same has now been considered as acceptance of deposits which is in violation of Section 76 of Companies Act, 2013 read together with Companies (Acceptance of Deposits) Rules, 2014. The outstanding balance of deposits in violation of Section 76 of the Companies Act, 2013 as on 31.03.2017 amounts to Rs. 4,80,55,000/-. This matter is under litigation in Punjab & Haryana High Court.

6. The Company is in the business of manufacturing high tensile fasteners, cost records in respect of which have been mandated u/s 148(1) of the Companies Act, 2013 read together with Companies (Cost Accounting Records) Rules, 2014. In our opinion and according to the information and explanations

given to us, the necessary cost records have not been maintained by the Company.

7. a) The Company is not regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. Arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable are as under:-

SR. NO.	NATURE OF STATUTORY DUES	AMOUNT OF ARREAR OUTSTANDING FOR MORE THAN SIX MONTHS FROM THE DATE THEY BECAME PAYABLE. (₹)
1.	Contribution towards PF	92,74,998/-
2.	Contribution towards ESI	3,15,383/-
3.	TDS and TCS	6,31,71,843/-
4.	Work Contract Tax	7,74,580/-
5.	R.D. Cess	5,22,897/-
6.	Excise Duty	4,02,91,680/-
7.	Service Tax	1,50,01,935/-
8.	CST / VAT	2,25,02,419/-
9.	Income Tax	2,50,00,000/-
10.	Wealth Tax	3,98,091/-
11.	Interest on Statutory Dues	4,17,62,687/-
12.	LWF	65,930/-
13.	Welfare Commission Fund	2,36,930/-
TOTAL		21,93,19,373/-

b) According to the information and explanation given to us, the dues outstanding of income tax and other taxes which have not been deposited on account of any dispute are as follows:-

NAME OF THE STATUTE	NATURE OF THE DUES	AMOUNT (₹.)	PERIOD TO WHICH THE AMOUNT RELATES	FORUM WHERE DISPUTE IS PENDING
Income Tax Act, 1961	Deduction/Claim in respect for export business u/s 80HHC and charging of interest u/s 234B whether on returned/assessed income	2,90,376 /-	A.Y. 1991-92	High Court, Chandigarh
	Determination of book profit before or after depreciation	54,26,222 /-	A.Y. 1990-91	
	Expenses allowable under various heads viz bonus and insurance	20,00,075 /-	A.Y. 1990-91	
TOTAL		77,16,673/-		

8. In our opinion and according to the information and explanations given to us, the Company has defaulted in repayments of dues to banks, financial institutions and Government as under:-

LENDER CONCERNED	PERIOD OF DEFAULT (NO. OF DAYS-RANGE)	TOTAL AMOUNT INVOLVED (INCLUDING INTEREST)
Canara Bank (term Loan no. - 1171773002272)	2 days to 92 days	59,86,277/-
Intec Capital Limited (term loan no.- 2111)	30 days to 486 days	1,23,98,301/-
Intec Capital Limited (term loan no.- 1846)	30 days to 424 days	72,50,728/-
Intec Capital Limited (term loan no.- 4078)	15 days to 258 days	24,06,562/-
Haryana State Industrial and Infrastructure Development Corporation Limited (HSIIDC)	59 days to 1066 days	20,04,83,703/-
Haryana State Industrial and Infrastructure Development Corporation Limited (HSIIDC)- Deferred Payment Liability	882 days to 1517 days	2,19,92,111/-
Hero Fincorp Limited	3 day to 82 days	1,51,33,438/-
Karvy Financial Services Limited (term Loan-1)	26 days	1,62,04,016/-
Karvy Financial Services Limited (term Loan-2&3)	26 days to 177 days	1,15,53,685/-
Canara Bank (Working Capital Loan)	The balance is in excess of sanctioned limits for the period of 4 days since last irregularity	The balance exceeded the sanctioned limits by 3,66,73,147/-
State Bank of India (Working Capital Loan)	The balance is in excess of sanctioned limits for the period of 36 days since last irregularity.	The balance exceeded the sanctioned limit by 11498887/-

9. According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer and has not taken any term loans, therefore para 3(ix) is not applicable to the Company.
10. In our opinion and according to the information and explanations given to us, neither fraud on the Company by its officers or employees nor any fraud by the Company has been noticed or reported during the year.
11. The Company has paid/provided for managerial remuneration in accordance with the approval of Central Government, vide letters dated 17th October 2016 valid upto 31/12/2017 which is in compliance with the provisions of Section 197 read with Schedule V of the Companies Act 2013.
12. In our opinion, the Company is not Nidhi Company. Therefore, the provisions of para 3(xii) of the Order are not applicable to the Company and hence not commented upon.
13. In our opinion, the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
14. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, and hence, reporting requirements under para 3(xiv) are not applicable to the Company and therefore not commented upon.
15. In our opinion and according to the information and explanation given to us, the company has not entered into any non-cash transactions with directors or persons connected with him.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 therefore para 3(xvi) is not applicable to the Company.

PLACE:
AUDITOR: NEW DELHI
BOARD: ROHTAK
DATED: 20TH JUNE, 2017

For B.M. Chatrath & Co LLP,
Chartered Accountants
Firm Registration No. 301011E

SD/-
Bharat C. Swain
Partner
Membership No.: 501999

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

We have audited the internal financial controls over financial reporting of Lakshmi Precision Screws Limited (“the Company”) as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS’ RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial

controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company’s internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

QUALIFIED OPINION

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2017:

- a) The procedures of physical verification of inventory of Finished Goods, Semi-Finished Goods, Stock in Trade (Traded goods) and Consumables Stores followed by the management are not reasonable and adequate in relation to the size of the Company and the nature of its business.
- b) The Company did not have an appropriate internal control system over Debtors and Creditors confirmation and reconciliation of balances with the parties. These could potentially result in material misstatements in the Company's trade payables and trade receivables balances.
- c) The Management does not review the provision for doubtful trade receivables methodology, assumptions and underlying calculation for appropriateness on a periodic basis, therefore these could result in risk of material misstated net receivables and bad debts expenses.
- d) The Company's financial control over repayment of long term borrowings and short term borrowings is highly ineffective with regard to repayment of principal and interest. The Company has defaulted in repayment of loan taken from Banks, Financial Institutions and others on many occasions and further there is general lack of financial planning and management on part of the Company.
- e) The Company does not have adequate system of segregation of duties to effectively monitor and operate the control of depositing undisputed statutory dues including Provident Fund, Income Tax, TDS, Sales-Tax, Wealth tax, VAT, duty of customs, Service tax, Cess and other material undisputed statutory dues with the appropriate authorities. This could potentially result in levy of interest and other penal provisions of statutes and have a significant impact on functioning of the Company.
- f) There is a material weakness with regard to control over advances given to suppliers for goods and services. The controls with regard to subsequent settlement of advances are ineffective and as a result many parties to whom advances have been given are very old and remain unsettled. Further there is no control system over confirmation and reconciliation of balance with parties. These could potentially result in write off of advances and have an impact on financial statements of the Company.
- g) The Company did not have an adequate internal control system for physical verification of dies and tools capitalized as fixed assets, further the internal control system needs updation with regard to item-wise identification and situation of fixed assets. This may have material impact on stated value of fixed assets and depreciation.
- h) The Company has inadequate design of information technology (IT) general and application controls that prevent the information system from providing complete and accurate information consistent with financial reporting objectives and current needs.

- i) There are significant deficiencies in Controls over the selection and application of accounting principles that are in conformity with generally accepted accounting principles. There is Ineffective internal control over legal compliance by the Company.
- j) The Company did not have an appropriate internal financial control system over financial reporting since the internal controls adopted by the Company did not adequately consider risk assessment, which is one of the essential components of internal control, with regard to the potential for fraud when performing risk assessment.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, because of the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has not maintained adequate and effective internal financial controls over financial reporting as of March 31, 2017 , based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India"

We have considered the material weaknesses, identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2017 standalone financial statements of the Company, and these material weaknesses have affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.

PLACE:
AUDITOR: NEW DELHI
BOARD: ROHTAK
DATED: 20TH JUNE, 2017

For B.M. Chatrath & Co LLP,
Chartered Accountants
Firm Regsitratio No. 301011E

SD/-
Bharat C. Swain
Partner
Membership No.501999

ANNEXURE TO BOARD REPORT

IMPACT OF AUDITOR'S QUALIFICATION

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 FY. 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 FY. 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 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.

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 FY. 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 FY 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

(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 FY. 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 FY. 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 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 FY. 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 FY. 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 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 FY.2011-12 except for FY. 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 impact, 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.

SD/- SD/- SD/- SD/-
CEO/MANAGING DIRECTOR CFO AUDIT COMMITTEE CHAIRMAN STATUTORY AUDITOR

PLACE:
AUDITOR: NEW DELHI
BOARD: ROHTAK
DATED: 20TH JUNE, 2017

BALANCE SHEET

PARTICULARS	NOTE NO.	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)
A. EQUITY AND LIABILITIES			
a) Shareholder's funds			
Share capital	3	10,94,16,670	10,94,16,670
Reserves and surplus	4	12,42,46,071	53,39,47,352
		23,36,62,741	64,33,64,022
b) Non- current liabilities			
Long- term borrowings	5	62,41,51,492	77,63,17,203
Other Long term liabilities	6	1,18,89,193	1,19,05,064
Long- term provisions	7	34,74,53,124	30,71,17,734
		98,34,93,809	1,09,53,40,001
c) Current liabilities			
Short- term borrowings	8	1,57,07,05,470	1,47,31,96,425
Trade payables	9	55,44,95,029	73,29,81,741
Other current liabilities	10	1,22,87,92,905	87,36,43,212
Short- term provisions	11	3,02,02,940	5,16,41,954
		3,38,41,96,344	3,13,14,63,333
		4,60,13,52,894	4,87,01,67,356
B. ASSETS			
a) Non- current assets			
Fixed assets:			
Tangible assets	12	1,43,62,96,390	1,49,55,11,060
Intangible assets		21,34,084	19,97,835
Capital work- in- progress		24,25,45,281	17,96,09,146
		1,68,09,75,755	1,67,71,18,041
Non- current investments	13	1,73,68,900	1,92,16,390
Long- term loans and advances	14	5,94,78,477	5,86,21,263
Other non- current assets	15	-	7,96,800
		7,68,47,377	7,86,34,453
b) Current assets			
Inventories	16	1,96,40,31,169	
Trade receivables	17	55,10,38,769	74,19,71,254
Cash and bank balances	18	5,22,30,847	10,48,99,810
Short- term loans and advances	19	20,91,59,214	21,69,38,357
Other current assets	20	6,70,69,763	4,48,04,384
		2,84,35,29,762	3,11,44,14,863
TOTAL		4,60,13,52,894	4,87,01,67,357
Significant Accounting Policies	2		
Contingent Liabilities and Commitments	33		
Other Notes on Accounts	34		

The accompanying notes are an integral part of the financial statements.

PLACE:	As per our report of even date attached For B. M. Chatrath & Co.LLP Chartered Accountants (LLPIN: AAJ0682)	For and on behalf of the Board of Directors of Lakshmi Precision Screws Limited			
AUDITOR: NEW DELHI	SD/- BHARAT C. SWAIN	SD/- LALIT KUMAR JAIN	SD/- DINESH KUMAR JAIN	SD/- KANAI LAL GHORUI	SD/- SANTOSH SHARMA
BOARD: ROHTAK	Partner	Chairman and Managing Director	Vice Chairman and Managing Director	Chief Financial Officer	Company Secretary
DATED: 20TH JUNE, 2017	Membership No.501999	DIN: 00061293	DIN: 00066363		

STATEMENT OF PROFIT & LOSS

PARTICULARS	NOTE NO.	YEAR ENDED (₹)	YEAR ENDED (₹)
A. INCOME			
Revenue from operations	21	2,58,69,20,493	3,09,91,72,005
Other Income	22	15,43,42,192	3,89,50,182
TOTAL REVENUE		2,74,12,62,685	3,13,81,22,187
B. EXPENDITURE			
Cost of materials consumed	23	83,07,33,827	93,63,44,755
Purchases of Stock-in-Trade	24	30,52,97,940	32,43,99,543
Purchase of Semi-Finished Goods	25	5,72,65,789	11,80,26,135
Changes in inventories of Finished Goods, Work In Progress and Stock- in-Trade	26	(67,28,021)	3,09,02,617
Employee benefits expense	27	73,64,37,688	70,96,86,656
Finance costs	28	40,56,13,957	37,99,54,795
Depreciation and amortisation expenses"	12	17,12,77,915	15,22,50,559
Other expenses	29	62,56,53,741	79,76,41,888
TOTAL EXPENSES		3,12,55,52,837	3,44,92,06,949
Profit before prior period items, exceptional and extraordinary items and tax		(38,42,90,151)	(31,10,84,762)
Prior Period Items	30	(2,54,11,133)	(55,44,579)
Profit before exceptional and extraordinary items and tax		(40,97,01,284)	(31,66,29,341)
Exceptional Items	31	-	24,59,55,258
Profit before Tax		(40,97,01,284)	(7,06,74,083)
Tax Expense:			
Current Tax		-	2,50,00,000
MAT credit entitlement		-	-
C. PROFIT/ (LOSS) FOR THE PERIOD		(40,97,01,284)	(9,56,74,083)
D. EARNING PER EQUITY SHARE:	32		
Basic and Diluted		(37.44)	(8.74)
Significant Accounting Policies	2		
Contingent Liabilities and Commitments	33		
Other Notes on Accounts	34		

The accompanying notes form an integral part of the standalone financial statements.

	As per our report of even date attached For B. M. Chatrath & Co. LLP Chartered Accountants (LLPIN: AAJ0682)	For and on behalf of the Board of Directors of Lakshmi Precision Screws Limited			
PLACE:	SD/-	SD/-	SD/-	SD/-	SD/-
AUDITOR: NEW DELHI	BHARAT C. SWAIN	LALIT KUMAR JAIN	DINESH KUMAR JAIN	KANAI LAL GHORUI	SANTOSH SHARMA
BOARD: ROHTAK	Partner	Chairman and	Vice Chairman and	Chief Financial	Company Secretary
DATED: 20TH JUNE, 2017	Membership No.501999	Managing Director	Managing Director	Officer	
		DIN: 00061293	DIN: 00066363		

CASH FLOW STATEMENT

PARTICULARS	YEAR ENDED 31.03.2017 (₹)	YEAR ENDED 31.03.2016 (₹)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	(40,97,01,284)	(7,06,74,083)
Adjustments to reconcile profit before tax to net cash flows		
Wealth Tax	-	-
Exceptional Items	-	(37,82,79,810)
Depreciation and amortisation expense	4,04,22,208	15,22,50,559
(Profit)/Loss on sale of fixed assets	(1,28,07,889)	(12,243)
Provision for bad and doubtful debts	4,07,740	1,33,16,529
Interest Income	(60,24,902)	(1,44,96,382)
Dividend Income	-	(47,04,038)
Interest Expense	36,84,85,002	32,56,86,668
Provision for doubtful debts written back	-	(2,35,219)
Deferred expenditure (technical know how)	7,96,800	7,40,966
Operating Profit before working capital changes	(1,84,22,326)	2,35,92,947
Movement in working capital		
(Increase)/Decrease in trade receivables	19,09,32,486	2,13,37,844
(Increase)/Decrease in loans and advances	35,34,704	(1,97,02,373)
(Increase)/Decrease in other assets	(3,25,66,533)	1,86,28,725
(Increase)/Decrease in inventories	4,17,69,889	71,58,95,913
Increase/(Decrease) in trade payables	(17,84,86,711)	(11,20,18,413)
Increase/(Decrease) in other liabilities and provisions	29,55,62,947	12,06,90,256
Cash generated from/(used) in operations	30,23,24,456	76,84,24,898
Direct taxes paid (net of refunds)	-	15,00,000
Net Cash flow from/(used) in Operating Activities (A)	30,23,24,456	76,69,24,898
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets including capital work in progress	(7,69,09,572)	(74,47,35,953)
Capital advances	33,87,225	2,53,97,117
Creditors for capital goods	(78,04,731)	(9,61,35,147)
Proceeds from sale of fixed assets	5,62,77,343	2,88,000
Proceeds from sale of investments	18,47,490	40,18,00,000
Dividend received	-	47,04,038
Interest income received	1,71,22,857	63,64,518
Fixed Deposits matured/(made) during the year	3,17,29,876	5,80,98,479
Net Cash flow from/(used) in Investing Activities (B)	2,56,50,487	(34,42,18,948)
C. CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment of)/Proceeds from long term borrowings	(26,59,39,833)	(9,79,95,831)
Repayment of short term borrowings	9,70,09,043	(6,36,61,196)
(Repayment of)/Proceeds from Directors and others	10,27,14,827	2,91,00,034
Dividend paid	(2,42,524)	4,14,347
Interest paid	(28,22,13,020)	(27,42,92,491)
Net Cash flow from/(used) in Financing Activities (C)	(34,86,71,507)	(40,64,35,137)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(2,06,96,564)	1,62,70,813
Cash and cash equivalents at the beginning of the year	2,30,02,279	67,31,466
Cash and cash equivalents at the end of the year	23,05,715	2,30,02,280

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3, "Cash Flow Statements".
- Components of cash and cash equivalents:

PARTICULARS	YEAR ENDED 31.03.2017 (₹)	YEAR ENDED 31.03.2016 (₹)
a) Cash and cash equivalents		
Cash on hand	1,56,780	80,87,861
Balances with banks in current account	21,48,935	1,49,14,418
	23,05,715	2,30,02,279
b) Other bank balances		
Fixed Deposits		
Pledged as margin money against bank guarantees	13,57,635	12,34,766
Pledged as margin money against letter of credits	4,20,67,583	6,24,96,197
Lien against public deposits	50,00,000	86,80,793
No lien account	-	77,43,338
Unpaid Dividend Accounts*	14,99,913	17,42,437
	4,99,25,131	8,18,97,531

* Unpaid Dividend can be utilised only for payment of unpaid dividend liability.

As per our report of even date attached
For B. M. Chatrath & Co.
Chartered Accountants
Firm Registration No. 301011E

For and on behalf of the Board of Directors of Lakshmi Precision Screws Limited

PLACE:
AUDITOR: NEW DELHI
BOARD: ROHTAK
DATED: 20TH JUNE, 2017

SD/-
Bharat C. Swain
Partner
Membership No. 501999

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

SD/-
DINESH KUMAR JAIN
Vice Chairman and
Managing Director
DIN: 00066363

SD/-
KANAI LAL GHORUI
Chief Financial
Officer

SD/-
SANTOSH SHARMA
Company Secretary

1 OVERVIEW

Lakshmi Precision Screws Ltd. is one of the global leaders for manufacturing high tensile precision fasteners and cold forged components. It provides fastening technology globally having Joint Ventures, License Agreements, and Alliances with different fastening companies globally. It is also catering the needs of various sectors such as Wind Energy, Oil & Gas, Locomotives, Automobiles, Agriculture Equipments (Tractors), Machine Building and different Industrial and its sub-con items. The endeavor of the company is to provide high level customer satisfaction.

The corporate office of the company is located in Rohtak (Haryana) with manufacturing plants and sales office in various parts of the country. The company is one of the largest exporters of fasteners in India having products exported to a range of countries such as The United States of America (USA), Australia, Canada, Denmark, Dubai, France, Germany, Hong-Kong, Indonesia, Japan, Malaysia, Singapore, South Africa, Switzerland, Sweden etc.

2 SIGNIFICANT ACCOUNTING POLICIES

2.01 Basis of preparation

The financial statements of the Company have been prepared and presented in accordance with Indian Generally Accepted Accounting Principles (Indian GAAP). The Company has prepared these financial statements to comply with all material respects with the accounting standards specified under section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014, and Companies (Accounting Standards) Amendment Rules, 2016, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year except for the change in accounting policy explained below.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

2.02 Change in Accounting Policies

- i) The Company, in the current year has changed its accounting policy of depreciation from written down value method to straight line method with respect to Dies and Tools in Plant-I & IV.

The Company, till the previous year, had depreciated Dies and Tools on the basis of their useful life as per schedule II of the Companies Act, 2013 on written down value method in Plant-I and Straight Line Method in Plant-II.

Keeping in view of uniformity in use of Dies and Tools in both plants, the method of depreciation has been changed with effect from 01.04.2016 under Schedule II of Company Act, 2013 from written down value method to Straight Line Method in Plant-I. The above change in accounting policy has been detailed in note no. 34 of the financial statements.

- ii. RESEARCH AND DEVELOPMENT EXPENDITURE: - Research and Development Expenses had been charged to Statement of Profit or Loss till 31.03.2016.

With effect from financial year 2016-17, R&D Expenses incurred during the year have been amortized @ 20% per annum keeping in view future economic benefits to be generated in 5 financial years, including the financial year in which expenditure is incurred. The above change in accounting policy has been detailed in note no. 34 of the financial statements.

2.03 Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India requires the management to make judgments, estimates and assumptions that affect the reported amounts of Assets, Liabilities and the disclosure of Contingent Liabilities and commitments at the date of the Financial Statements and the reported amount of revenue and expenses during the reported period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in notes to accounts.

2.04 Inventories

Inventories other than scrap materials are carried at lower of cost and net realizable value after providing cost of obsolescence, if any. Cost has been ascertained in case of semi-finished goods at 66% less on the price-list, finished goods have been valued at 57% less on the price-list 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 price list, based on overall cost data and gross margins; since exact cost is not ascertainable.

Excise duty payable on finished goods and scrap materials are shown separately as part of manufacturing cost and is included in the valuation of finished goods and scrap materials. Inventories are consumed on FIFO (First in First out) basis.

During the current financial year, the price list used for valuation of cost of the inventories as mentioned above has been revised to the selling prices of finished goods mentioned in the revised price list as on 01.01.2015. The above change in estimates has been detailed in note no. 34 of the financial statements.

Scrap material has been valued at net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.05 Fixed Assets - Depreciation and Amortisation

a) TANGIBLE FIXED ASSETS

Tangible assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost comprises purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of CENVAT credit, VAT credit availed and subsidy directly attributable to the cost of fixed asset, wherever applicable. Interest and other borrowing costs during construction period to finance qualifying fixed assets is capitalised, if capitalisation criteria are met.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. Similarly, when significant parts of plant and equipment are required to be replaced at intervals or when a major inspection/ overhauling is required to be performed, such cost of replacement or inspection is capitalised (if the recognition criteria is satisfied) in the carrying amount of plant and equipment as a replacement cost or cost of major inspection/ overhauling, as the case

may be and depreciated separately based on their specific useful life.

Subsequent expenditure related to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts are charged to the statement of profit and loss for the period during which such expenses are incurred.

Capital work-in- progress comprises cost of fixed assets that are not yet ready for their intended use at the balance sheet date and are carried at cost comprising direct cost, related incidental expenses, other directly attributable costs and borrowings costs.

Preoperative expenditure and trial run expenditure accumulated as capital work- in- progress is allocated on the basis of prime cost of fixed assets in the year of commencement of commercial production.

Gains or losses arising from disposal of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed off.

b) INTANGIBLE ASSETS

i) ACQUIRED INTANGIBLE ASSETS

Intangible assets including software licenses of enduring nature and contractual rights acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

ii) RESEARCH AND DEVELOPMENT COST

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete the asset;
- Its ability to use or sale the asset;

- How the asset will generate future economic benefits;
- The availability of adequate resources to complete the development and to use or sale the asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition if the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on straight line basis over the estimated useful life.

Gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is disposed off.

c) CAPITAL WORK-IN-PROGRESS

Expenditure related to and incurred on implementation of new/expansion-cum-modernisation projects is included under capital work-in-progress and the same is allocated to the respective tangible asset on completion of its construction/erection.

d) DEPRECIATION AND AMORTIZATION

DEPRECIATION OF TANGIBLE ASSETS: Depreciation on fixed assets is provided on prorata basis on written down value method except in case of Plant II, Manesar and Recoil Division and Tools & dies in Plant-I where depreciation has been provided on straight line method using the useful lives of assets and in the manner prescribed in Schedule II of The Companies Act, 2013.

AMORTISATION OF INTANGIBLE ASSETS: Intangible assets are amortised on a straight line basis over their estimated useful life of six years.

2.06 Prior Period Items / Extraordinary Items

Prior Period expenses/incomes, are shown as prior period items in the statement of profit and loss account as per the provision of Accounting Standard-5 "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies" notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014. Items of income or expenses that arise from events or transactions that are distinct from ordinary activities of the enterprise and are not expected to recur frequently or regularly are treated as extraordinary items.

2.07 Exceptional Items

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Group's financial performance. Items which may be considered exceptional are significant gains or losses on disposal of investments of joint venture, write down of inventories and loss due to strike.

2.08 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

SALE OF GOODS:

Revenue from sale of Goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer and no significant uncertainty exists regarding the amount of consideration that will be derived from the sale of goods. Sales are recorded net of returns and trade discount. The Group collects sales taxes and value added taxes (VAT) on behalf of the Government and, therefore, these are not economics benefits flowing to the Company and therefore are excluded from revenue. Excise Duty is deducted from revenue (gross) to arrive at revenue from operations (net). Sales do not include inter-divisional transfers. Export sales are recognised at the time of clearance of goods and approval from Excise Authorities.

SERVICES:

Revenue from service related activities is recognised using the proportionate completion method.

EXPORT INCENTIVES:

Export incentives under various schemes notified by the Government have been recognised on the basis of their entitlement rates in accordance with the Foreign Trade Policy 2015-20 (FTP 2015-20). Benefits in respect of advance licenses are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and incentive will be received.

RENTAL INCOME:

Rental income is recognised on a time proportionate basis.

INTEREST INCOME:

Interest income is recognized on time proportionate basis taking into account the amount outstanding and the applicable rate of interest.

DIVIDEND INCOME:

Dividend income is accounted for when the right to receive the payment is established.

CLAIMS:

Claims are recognised when there exists reasonable certainty with regard to the amounts to be realised and the ultimate collection thereof.

PROFIT ON SALE OF INVESTMENTS:

Profit on sale of investments is recorded on transfer of title from the Group and is determined as the difference between the sale price and carrying value of the investment.

2.09 Foreign Currency Transactions

a) INITIAL RECOGNITION:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b) MEASUREMENT OF FOREIGN CURRENCY ITEMS AT THE BALANCE SHEET DATE:

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

c) EXCHANGE DIFFERENCES:

Exchange differences arising on conversion / settlement of foreign currency monetary items and on foreign currency liabilities relating to fixed assets acquisition are recognised as income or expense in the year in which they arise. In case of exchange variation arising on reporting of long term foreign currency monetary item at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, in so far as they relate to the acquisition of a depreciable capital assets, are added to or deducted from the cost of assets and are depreciated over the balance life of the asset, and in other cases accumulated in a foreign Currency Monetary Item Translation Difference Account; and amortized over the balance period of such long term asset/liability by recognition as income or expense in each of such period.

d) BANK GUARANTEE AND LETTER OF CREDIT:

Bank Guarantee and Letter of Credits are recognized at the point of negotiation with Banks and converted at the rates prevailing on the date of Negotiation, However, Outstanding at the period end are recognized at the rate prevailing as on that date and total sum is considered as contingent liability.

2.10 Government Grants and Subsidies

Grants and Subsidies from the Government are recognised when there is reasonable assurance that

- i) the Company will comply with the conditions attached to them; and ii) the grant/subsidy will be received.

Grants related to revenue are deducted in reporting the related expense.

2.11 Investments

Investments are classified into current and long-term investments. Investments that are readily realizable and intended to be held for not more than one year from the date of acquisition are classified as current investments. All other investments are long-term investments and classified as Non Current Investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are stated in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. A provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management. Reversal of such provision for diminution is made when there is a rise in the value of long term investments, or if the reasons for the decline no longer exist.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

2.12 Retirement Benefits

a) GRATUITY

The Employee's Gratuity Fund Scheme, which is defined benefit plan, is managed by trust maintained with Life Insurance Corporation of India (LIC). The liabilities with respect to Gratuity Plan are determined by actuarial valuation on projected unit credit method on the balance sheet date, based upon which the Company contributes to the Group Gratuity Scheme. The difference, if any, between the actuarial valuation of the gratuity of employees at the year end and the balance of funds with Life Insurance Corporation of India is provided for as assets/(liability) in the books. Actuarial gains/(losses) for defined plans are recognised in full and are immediately taken to the statement of profit and loss and are not deferred.

b) PROVIDENT FUND

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to provident fund are made in accordance with the relevant scheme and are charged to the statement of profit and loss for the year when contribution are due. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related services.

c) COMPENSATED ABSENCES

Accrual for leave encashment benefit is based on actuarial valuation as on the balance sheet date in pursuance of the company's leave rules.

2.13 Borrowing Costs

Borrowing cost includes interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur.

2.14 Leases

OPERATING LEASES:

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

FINANCE LEASES:

Lease under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower.

2.15 Segment Reporting

BUSINESS SEGMENTS

Based on similarity of activities, risks and reward structure, organisation structure and internal reporting systems, the Company has structured its operation into manufacturing and trading of "Fasteners".

SECONDARY SEGMENT: GEOGRAPHICAL SEGMENT

Secondary segmental reporting is performed on the geographical locations of customers i.e. within India and Overseas.

2.16 Earning per share

Basic earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earning per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

2.17 Taxes on Income

Tax expense for the year comprises of direct taxes.

DIRECT TAXES

Current income-tax is measured at the amount expected to be paid to taxation authorities in accordance with the Income-tax Act, 1961 enacted in India by using the tax rates and tax laws that are enacted at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income tax reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations, where the Company has unabsorbed depreciation or carry forward tax losses under tax laws, all deferred tax assets are recognized only to the extent that there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Deferred tax assets and deferred tax liabilities are off-set, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as Current Tax. The Company recognizes MAT Credit available as an asset only to the extent there is convincing evidence that the Company will pay normal income tax during specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognises MAT credit as an asset in accordance with the 'Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income -Tax Act, 1961', the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement" under loans and advances. The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

INDIRECT TAXES

Excise duty has been accounted for in respect of the goods cleared. The company is providing excise duty liability in respect of finished products and scrap.

Service tax has been accounted for in respect of service rendered.

Final sale tax/ Value added tax liability is ascertained on the finalization of assessments in accordance to provisions of sale tax/ value added laws of respective states where the company is having offices/works.

2.18 Impairment of Assets

At the end of each year, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred and where the recoverable amount of any fixed asset is lower than its carrying amount, a provision for impairment loss on fixed assets is made for the difference. Recoverable amount is generally measured using discounted estimated cash flows. Post impairment, depreciation is provided on the revised carrying value of the asset over its remaining useful life.

2.19 Provisions Contingent Liabilities, commitments and contingent assets

PROVISIONS

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are not discounted to their present value and are determined based on the best estimates required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

CONTINGENT LIABILITIES AND COMMITMENTS

A possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation is disclosed as contingent liabilities and commitments. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability or commitment but discloses its existence in the financial statements.

CONTINGENT ASSETS

Contingent assets are neither recognized nor disclosed in the financial statements

2.20 Cash and Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

NOTE - 3 SHARE CAPITAL

DESCRIPTION	AS AT 31.03.2017		AS AT 31.03.2016	
	NUMBER	AMOUNT (₹)	NUMBER	AMOUNT (₹)
a. Authorised:				
Equity Shares, Rs. 10/- par value	2,49,70,000	24,97,00,000	2,49,70,000	24,97,00,000
9.5% Cumulative Preference Shares, Rs. 10/- par value	30,000	3,00,000	30,000	3,00,000
	2,50,00,000	25,00,00,000	2,50,00,000	25,00,00,000
Issued:				
Equity Shares, Rs. 10/- par value	1,09,41,667	10,94,16,670	1,09,41,667	10,94,16,670
	1,09,41,667	10,94,16,670	1,09,41,667	10,94,16,670
Subscribed and paid up:				
Equity Shares, Rs. 10/- par value	1,09,41,667	10,94,16,670	1,09,41,667	10,94,16,670
	1,09,41,667	10,94,16,670	1,09,41,667	10,94,16,670
b. Reconciliation of the number of shares outstanding and the amount of share capital as at the beginning and at the end of the year is as follows:				
Equity shares outstanding at the beginning of the year	10,94,667	10,94,16,670	1,09,41,667	10,94,16,670
Equity shares issued during the year	-	-	-	-
Equity shares bought back during the year	-	-	-	-
Equity shares outstanding at the end of the year	1,09,41,667	10,94,16,670	1,09,41,667	10,94,16,670

c. Terms/ right attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2017, the amount of per share dividend recognized as distributions to equity shareholders is Rs.NIL (Previous Year Rs. NIL)

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts.

d. Details of shareholders holding more than 5% shares as at March 31, 2017 and March 31, 2016 are as follows:

NAME OF THE SHAREHOLDER	AS AT 31.03.2017		AS AT 31.03.2016	
	NUMBER	% HOLDING	NUMBER	% HOLDING
Shri Rajesh Jain	14,30,804	13.08%	14,30,804	13.08%
Shri Lalit Kumar Jain	11,59,600	10.60%	11,59,600	10.60%
Shri Vijay Kumar Jain	11,32,593	10.35%	11,32,593	10.35%
Shri Arun Kumar Jain	7,98,959	7.30%	7,98,959	7.30%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

e. Aggregate number of shares issued as fully paid up pursuant to contract without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the date of Balance Sheet is prepared:

PARTICULARS	2016-17		2015-16	
	NUMBER	AMOUNT (₹)	NUMBER	AMOUNT (₹)
Equity Shares:				
i) Fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil	Nil	Nil
ii) Fully paid up by way of bonus shares	Nil	Nil	Nil	Nil
iii) Shares bought back	Nil	Nil	Nil	Nil

NOTE - 4 RESERVES AND SURPLUS

DESCRIPTION	AS AT 31.03.2017		AS AT 31.03.2016	
	AMOUNT (₹)	AMOUNT (₹)	AMOUNT (₹)	AMOUNT (₹)
a. Capital Reserves		1,39,31,192		1,39,31,192
b. Securities Premium Reserve		31,83,36,034		31,83,36,034
c. General Reserve				
As per last Balance Sheet	1,74,85,800		1,75,95,149	
Less: Adjustment related to transitional provision as per Schedule II of the Companies Act, 2013 *	-	1,74,85,800	(1,09,350)	1,74,85,799
d. Surplus as per the Statement of Profit and Loss				
As per the last balance sheet	18,41,94,330		28,16,74,575	
Add: Net Profit/ (Loss) after tax transferred from the Statement of Profit and Loss	(40,97,01,284)		(9,56,74,083)	
Add: MAT Credit entitlement transferred to Short- term provisions	-	(22,55,06,955)	(18,06,164)	18,41,94,328
		12,42,46,071		53,39,47,353

NOTE - 5 LONG- TERM BORROWINGS

PARTICULARS	AS AT 31.03.2017 (₹)		AS AT 31.03.2016 (₹)	
	NON CURRENT	CURRENT	NON CURRENT	CURRENT
Secured:				
a. Term loans:				
From Banks	-	1,53,19,610	93,33,333	1,91,68,894
From Other Parties	15,98,00,902	38,06,39,288	40,37,78,065	21,62,91,956
	15,98,00,902	39,59,58,898	41,31,11,399	23,54,60,849
b. Deferred payment liabilities:				
From Haryana State Industrial and Infrastructure Development Corporation Limited	-	1,52,93,494	-	1,52,93,494
	-	1,52,93,494	-	1,52,93,494
c. Long term maturities of finance lease obligations:				
against hypothecation of vehicles	13,73,221	8,20,326	19,12,937	16,82,169
against hypothecation of plant and machinery	-	0	-	2,98,371
	13,73,221	8,20,326	19,12,937	19,80,540
Unsecured:				
d. Term loans:				
From Other Parties	-	5,30,324	5,30,325	2,89,66,656
	-	5,30,324	5,30,325	2,89,66,656
e. Loans and advances from related parties:				
From Directors *	45,13,43,986	-	35,27,54,161	-
From Others *	1,16,33,382	-	80,08,382	-
	46,29,77,368	-	36,07,62,543	-
	62,41,51,492	41,26,03,042	77,63,17,203	28,17,01,540

* Deposits under stipulations of lending financial institutions and banks. Unsecured loans amounting to Rs.302698943/- (previous year Rs. 217025000/-) from Sh. Dinesh Kumar Jain, one of the promoters carries an interest rate of 8.50% per annum.

a. TERM LOANS: FROM BANKS (SECURED)

(i) Term loans are from Canara Bank.

(ii) Details of term loans from Canara Bank and security furnished are as under:

NATURE OF LOAN	DATE OF SANCTION	AMOUNT SANCTIONED (₹)	TERMS OF REPAYMENT	AMOUNT OUTSTANDING (₹)	PRIME SECURITY
Term Loan	03.04.2013	5,00,00,000	18 quarterly installments varying from Rs. 20 lacs to Rs. 46.67 lacs	1,53,19,610	Exclusive charge on assets i.e. accessories of machines, dies and tools acquired valued at Rs. 7.00 crores.
Term Loan	08.09.2011	5,00,00,000	20 equal quarterly installments of Rs. 2500000 /-	Nil	Ist pari passu charge with existing term lenders on existing fixed assets and dies and tools acquired out of the loan. Term loan from canara bank has been repaid during the year and discharge of security by Canara Bank is under process.
Working Capital Term Loan	22.09.2010	10,50,00,000	20 equal quarterly installments of Rs. 5250000/-	NIL	Ist pari passu charge on existing tools and dies valued at Rs. 25 crores. Collateral Security for the term loans from Canara Bank : 1. Ist pari passu charge on land measuring 10640 sq yards and building thereon in the name of Smt. Sushila Devi Jain, Director of the Company situated at NH 10, Hissar Road Rohtak. 2. Ist pari passu charge on land measuring 4.6125 acre and building there on in name of Shri Nikhlesh Jain and Shri Saurabh Jain, relatives of the Directors of the Company, situated at Mauza Kharawar, Tehsil- Sampla , District - Rohtak, Haryana. Working Capital term loan from Canara Bank has been repaid during the years and discharge of security by Canara Bank is under process.
TOTAL				1,53,19,610	
Current Maturities				1,53,19,610	

(iii) In the earlier years, the Company had availed a term loan from State Bank of India which has been repaid during the FY 2014-15. However discharge of security is under process. The said loan was secured by way of :-

NATURE OF LOAN	DATE OF SANCTION	AMOUNT SANCTIONED (₹)	TERMS OF REPAYMENT	AMOUNT OUTSTANDING (₹)	PRIME SECURITY
Term Loan	03.11.2011	4,50,00,000	10 quarterly installments varying from Rs. 37.50 lacs to Rs. 58.5 lacs	NIL	"Ist pari passu charge alongwith other consortium bankers on current assets and existing tools and dies capitalised. Collateral Securities are the same as against CC/ BD/ LC and other facilities sanctioned by the bank. IInd pari passu charge on entire fixed assets of the Company comprising of land and building, plant and machinery, other fixed assets including capital work in progress alongwith equitable mortgage of the land and building of Plant I and Plant II Hissar Road, Rohtak and Plot No. 153 Sector-3 & Plot No. 256 Sector-6 at IMT Manesar and Plant IV at Kharawar, Rohtak and EMT of property situated at NH-10 Hissar Road, in the name of Smt. Sushila Devi Jain and land and building situated at Kharawar in the name of Shri Nikhlesh Jain and Shri Saurabh Jain, relatives of Director."

(iv)

DESCRIPTION	2016-17 (₹)		2015-16 (₹)	
	NON CURRENT	CURRENT	NON CURRENT	CURRENT
Aggregate amount of Term Loans from Banks secured by way of personal guarantees of Directors of the Company and their relatives are:	-	1,53,19,610	93,33,333	1,91,68,894

(v) Period and amount overdue and unpaid as on the Balance Sheet date (continuing defaults).

NAME OF BANK	DUE DATE OF INSTALLMENTS	INSTALLMENTS AMOUNT (₹)	AMOUNT PAID (₹)	AMOUNT OF DEFAULT (₹)
Canara Bank	29-Dec-16	25,00,000	11,80,390	13,19,610
Canara Bank	29-Mar-17	46,66,667	-	46,66,667
TOTAL		71,66,667	11,80,390	59,86,277

FROM OTHER PARTIES (SECURED)

(i) Term loans from other parties are from Intec Capital Limited, Haryana State Industrial and Infrastructure Development Corporation Limited (HSIIDC), Karvy Financial Services Limited and Hero Fincorp Limited as under:

DESCRIPTION	2016-17		2015-16	
	NON CURRENT (₹)	CURRENT (₹)	NON CURRENT (₹)	CURRENT (₹)
Intec Capital Limited	42,64,647	3,07,65,806	1,83,02,317	2,07,96,065
Haryana State Industrial and Infrastructure Development Corporation Limited (HSIIDC)	7,75,04,840	15,38,46,160	12,45,73,615	10,67,77,385
Karvy Financial Services Limited	-	14,21,36,872	13,70,47,965	4,90,46,526
Hero Fincorp Limited	7,80,31,916	5,38,89,950	12,38,54,168	3,96,71,980
TOTAL	15,98,01,403	38,06,38,788	40,37,78,065	21,62,91,956

(ii) Details of term loans from other parties are as under:-

(A) Intec Capital Limited

NATURE OF FACILITY	DATE OF SANCTION	AMOUNT SANCTIONED (₹)	TERMS OF REPAYMENT	AMOUNT OUTSTANDING (₹)	CASH MARGIN (₹)	OTHER SECURITY
Term Loan	29.11.2012	2,14,00,000	60 equal monthly installments of Rs. 505843/- (including interest)	87,80,115	64,20,000	1st and exclusive charge on the entire assets and equal to the loan amount.
Term Loan	22.02.2013	2,95,00,000	60 equal monthly installments of Rs. 697268/- (including interest)	1,66,85,833	88,50,000	1st and exclusive charge on the entire assets and equal to the loan amount and further secured by way of 1st charge on fixed assets of the Company including land and building and plant and machinery with ICICI Bank Limited and IDBI Bank Limited on pari passu basis.
Term Loan	23.06.2014	1,36,05,400	60 equal monthly installments of Rs. 309569/- (including interest)	95,64,505	36,05,431	1st Charge by the way of exclusive hypothecation lien mark on the Performa invoice in favour of Intec Capital Ltd covering the entire assets.
		6,45,05,400	TOTAL	3,50,30,453	1,88,75,431	
				Current Maturities	3,07,65,806	

Cash margin of Rs. 1,52,70,000/- furnished to Intec Capital Limited is entitled to interest at 9% per annum.

Period and principal amount overdue and unpaid as on the Balance Sheet date (continuing defaults)

NAME OF PARTY	DUE DATE OF INSTALMENT	INSTALMENTS AMOUNT (₹)	AMOUNT PAID (₹)	AMOUNT OF DEFAULT (₹)
Intec Capital Limited	01/02/16	382916		3,82,916
Intec Capital Limited	01/03/16	387792		3,87,792
Intec Capital Limited	01.04.2016	3,92,731	-	3,92,731
Intec Capital Limited	01.05.2016	3,97,733	-	3,97,733
Intec Capital Limited	01.06.2016	4,02,798	-	4,02,798
Intec Capital Limited	01.07.2016	4,07,928	-	4,07,928
Intec Capital Limited	01.08.2016	4,13,123	-	4,13,123
Intec Capital Limited	01.09.2016	4,18,384	-	4,18,384
Intec Capital Limited	01.10.2016	4,23,713	-	4,23,713
Intec Capital Limited	01.11.2016	4,29,109	-	4,29,109
Intec Capital Limited	01.12.2016	4,34,574	-	4,34,574
Intec Capital Limited	01.01.2017	4,40,108	-	4,40,108
Intec Capital Limited	01.02.2017	4,45,713	-	4,45,713
Intec Capital Limited	01.03.2017	4,51,389	-	4,51,389
Intec Capital Limited	01.12.2015	4,95,765	2,51,310	2,44,455
Intec Capital Limited	01.01.2016	5,01,841	-	5,01,841
Intec Capital Limited	01.02.2016	5,07,991	-	5,07,991
Intec Capital Limited	01.03.2016	5,14,217	-	5,14,217
Intec Capital Limited	01.04.2016	5,20,518	-	5,20,518
Intec Capital Limited	01.05.2016	5,26,898	-	5,26,898
Intec Capital Limited	01.06.2016	5,33,355	-	5,33,355
Intec Capital Limited	01.07.2016	5,39,892	-	5,39,892
Intec Capital Limited	01.08.2016	5,46,508	-	5,46,508
Intec Capital Limited	01.09.2016	5,53,206	-	5,53,206
Intec Capital Limited	01.10.2016	5,59,986	-	5,59,986
Intec Capital Limited	01.11.2016	5,66,849	-	5,66,849
Intec Capital Limited	01.12.2016	5,73,796	-	5,73,796
Intec Capital Limited	01.01.2017	5,80,828	-	5,80,828
Intec Capital Limited	01.02.2017	5,87,946	-	5,87,946
Intec Capital Limited	01.03.2017	5,95,152	-	5,95,152
Intec Capital Limited	16.07.2016	2,10,031	-	2,10,031
Intec Capital Limited	16.08.2016	2,12,306	-	2,12,306
Intec Capital Limited	16.09.2016	2,14,606	-	2,14,606
Intec Capital Limited	16.10.2016	2,16,931	-	2,16,931
Intec Capital Limited	16.11.2016	2,19,281	-	2,19,281
Intec Capital Limited	16.12.2016	2,21,657	-	2,21,657
Intec Capital Limited	16.01.2017	2,24,058	-	2,24,058
Intec Capital Limited	16.02.2017	2,26,485	-	2,26,485
Intec Capital Limited	16.03.2017	2,28,939	-	2,28,939
TOTAL		1,65,07,053	2,51,310	1,62,55,743

Interest accrued and due Rs.24,28,842 /- (previous year Rs. 22,82,896/-) remained unpaid as on the date of Balance Sheet in respect of term loans from Intec Capital Limited.

(B) Haryana State Industrial and Infrastructure Development Corporation Limited (HSIIDC)

NATURE OF FACILITY	DATE OF SANCTION	AMOUNT SANCTIONED (₹)	TERMS OF REPAYMENT	AMOUNT OUTSTANDING (₹)	CASH MARGIN (₹)	OTHER SECURITY
Term Loan	17.04.2012	25,00,00,000	26 equal quarterly installments of Rs. 9615385/-, starting from 30.04.2014	23,13,51,000	Nil	First charge on all the present and future fixed assets of proposed expansion project at IMT Rohtak and remaining assets of the company (except book debts) subject to prior charges created or to be created in favour of bankers for working capital requirements
		25,00,00,000	TOTAL	23,13,51,000		
			Current Maturities	15,38,46,160		

Period and principal amount overdue and unpaid as on the Balance Sheet date (continuing defaults)

NAME OF PARTY	DUE DATE OF INSTALMENT	INSTALMENTS AMOUNT (₹)	AMOUNT PAID (₹)	AMOUNT OF DEFAULT (₹)
HSI IDC	30.04.2014	96,15,385	-	96,15,385
HSI IDC	31.07.2014	96,15,385	-	96,15,385
HSI IDC	31.10.2014	96,15,385	-	96,15,385
HSI IDC	31.01.2015	96,15,385	-	96,15,385
HSI IDC	30.04.2015	96,15,385	-	96,15,385
HSI IDC	31.07.2015	96,15,385	-	96,15,385
HSI IDC	31.10.2015	96,15,385	-	96,15,385
HSI IDC	31.01.2016	96,15,385	-	96,15,385
HSI IDC	30.04.2016	96,15,385	-	96,15,385
HSI IDC	31.07.2016	96,15,385	-	96,15,385
HSI IDC	31.10.2016	96,15,385	-	96,15,385
HSI IDC	31.01.2017	96,15,385	-	96,15,385
TOTAL		11,53,84,620	-	11,53,84,620

Interest accrued and due Rs. 85,099,083/- (previous year Rs. 3,54,62300/-) remained unpaid as on the date of Balance Sheet in respect of term loans from HSI IDC.
(C) Karvy Financial Services Limited

NATURE OF FACILITY	DATE OF SANCTION	AMOUNT SANCTIONED (₹)	TERMS OF REPAYMENT	AMOUNT OUTSTANDING (₹)	CASH MARGIN (₹)	OTHER SECURITY
Term Loan	25.03.2013	15,00,00,000	78 equal monthly installments of Rs. 3275468/- (including interest)	9,75,57,124	Nil	1st pari passu charge on fixed assets of the Company alongwith ICICI bank Limited, IDBI Bank Limited and Intec Capital Limited.
Term Loan	27.12.2014	5,21,98,474	71 equal monthly installments of Rs. 1199900/- (including interest)	4,45,79,748	Nil	Pari passu charge along with IDBI Bank Limited & Intec Capital Limited on Fixed Assets of the Company which comprises of Industrial Land & Building and Plant & machinery and original property documents to be mortgaged. The creation of charge is under process.
		20,21,98,474	TOTAL	14,21,36,872		
			Current Maturities	14,21,36,872		

Period and principal amount overdue and unpaid as on the Balance Sheet date (continuing defaults)

NAME OF PARTY	DUE DATE OF INSTALMENT	INSTALMENTS AMOUNT (₹)	AMOUNT PAID (₹)	AMOUNT OF DEFAULT (₹)
Karvy Financial Services Limited	05.03.2017	17,78,958	-	17,78,958
Karvy Financial Services Limited	05.10.2016	2,11,200	1,87,660	23,540
Karvy Financial Services Limited	05.11.2016	2,14,368	-	2,14,368
Karvy Financial Services Limited	05.12.2016	2,17,584	-	2,17,584
Karvy Financial Services Limited	05.01.2017	2,20,847	-	2,20,847
Karvy Financial Services Limited	05.02.2017	2,24,160	-	2,24,160
Karvy Financial Services Limited	05.03.2017	2,27,523	-	2,27,523
Karvy Financial Services Limited	05.10.2016	3,50,335	-	3,50,335
Karvy Financial Services Limited	05.11.2016	3,55,590	-	3,55,590
Karvy Financial Services Limited	05.12.2016	3,60,924	-	3,60,924
Karvy Financial Services Limited	05.01.2017	3,66,337	-	3,66,337
Karvy Financial Services Limited	05.02.2017	3,71,832	-	3,71,832
Karvy Financial Services Limited	05.03.2017	3,77,410	-	3,77,410
TOTAL		52,77,068	1,87,660	50,89,408

Interest accrued and due Rs. 23,271,205/- (previous year Rs. 4,459,686/-) remained unpaid as on the date of Balance Sheet in respect of term loans from Karvy Financial Services Limited.

(D) Hero Fincorp Limited

The Company has been sanctioned term loans of Rs. 200000000/- vide sanction letters dated 06.09.2013 and sanction letter dated 30.10.2013 for purchase of plant and machinery. The outstanding balance as on the balance sheet was Rs. 16,35,26,148/- (Current Maturities of Rs. 53889950/-)

NATURE OF FACILITY	AMOUNT SANCTIONED (₹)	TERMS OF REPAYMENT	CASH MARGIN (₹)	OTHER SECURITY
Term Loan	20,00,00,000	54 installments of Rs. 101282/- (including interest) 54 installments of Rs. 379806/- (including interest) 54 installments of Rs. 506408/- (including interest) 54 installments of Rs. 506408/- (including interest) 54 installments of Rs. 1331702/- (including interest) 54 installments of Rs. 245760/- (including interest) 54 installments of Rs. 1519225/- (including interest) 54 installments of Rs. 253204/- (including interest) 54 installments of Rs. 81026/- (including interest) 52 installments of Rs. 143073/- (including interest)	Nil	Hypothecation by way of lien and charge on the Equipment/ Plant and Machinery purchased/ to be purchased out of the loan.

Period and principal amount overdue and unpaid as on the Balance Sheet date (continuing defaults)

NAME OF PARTY	DUE DATE OF INSTALMENT	INSTALMENTS AMOUNT (₹)	PAID AMOUNT (₹)	AMOUNT OF DEFAULT (₹)
Hero Fincorp Limited	08.01.2017	245760	119267	1,26,493
Hero Fincorp Limited	09.01.2017	101282	0	1,01,282
Hero Fincorp Limited	13.01.2017	143073	0	1,43,073
Hero Fincorp Limited	18.01.2017	506408	0	5,06,408
Hero Fincorp Limited	26.01.2017	506408	0	5,06,408
Hero Fincorp Limited	28.01.2017	81206	0	81,206
Hero Fincorp Limited	01.02.2017	253204	0	2,53,204
Hero Fincorp Limited	08.02.2017	3096687	0	30,96,687
Hero Fincorp Limited	09.02.2017	481088	0	4,81,088
Hero Fincorp Limited	13.02.2017	143073	0	1,43,073
Hero Fincorp Limited	18.02.2017	506408	0	5,06,408
Hero Fincorp Limited	26.02.2017	506408	0	5,06,408
Hero Fincorp Limited	28.02.2017	81026	0	81,026
Hero Fincorp Limited	01.03.2017	253204	0	2,53,204
Hero Fincorp Limited	08.03.2017	3096687	0	30,96,687
Hero Fincorp Limited	09.03.2017	481088	0	4,81,088
Hero Fincorp Limited	13.03.2017	143073	0	1,43,073
Hero Fincorp Limited	18.03.2017	506408	0	5,06,408
Hero Fincorp Limited	26.03.2017	506408	0	5,06,408
Hero Fincorp Limited	28.03.2017	81026	0	81,026
TOTAL		1,17,19,925	1,19,267	1,16,00,658

Interest accrued and due Rs.3532780/- (previous year nil/-) remained unpaid as on the date of Balance Sheet in respect of term loans from Hero Fincorp Limited

(iii)

DESCRIPTION	2016-17		2015-16	
	NON CURRENT (₹)	CURRENT (₹)	NON CURRENT (₹)	CURRENT (₹)
Aggregate amount of term loan from other parties and further secured by way of personal guarantees Shri L.K. Jain (Chairman and Managing Director) and Shri D.K. Jain (Vice Chairman and Managing Director)	0	14,21,36,872	13,70,47,965	4,90,46,526
Shri L.K. Jain Chairman and Managing Director	8,17,69,487	18,46,11,966	14,28,75,933	12,75,73,450
Shri D.K. Jain Vice Chairman and Managing Director	7,80,31,916	5,38,89,950	12,38,54,168	3,96,71,980
TOTAL	15,98,01,402	38,06,38,788	40,37,78,066	21,62,91,956

b. DEFERRED PAYMENT LIABILITIES

(i) Deferred payment credits from Haryana State Industrial & Infrastructure Development Corporation Limited (HSIIDC) are secured against the following properties:-

1. Plot no. 153, Sector 3 at IMT Manesar , Gurgaon
2. Plot no. 257, Sector 6 at IMT Manesar , Gurgaon
3. Working Housing unit at IMT Manesar , Gurgaon
4. Dormitory House at IMT Manesar , Gurgaon

a) The above properties shall continue to belong to HSIIDC until and unless the full price of the properties with interest and other amount, if any, due to HSIIDC is paid by the Company.

b) On the payment of total price of the properties, the HSIIDC would execute a deed of conveyance in favour of the Company.

(ii) Term of repayments

NAME OF LENDER	NATURE OF FACILITY		TERMS OF REPAYMENT
Haryana State Industrial and Infrastructure Development Corporation Limited	Deferred Payment Liabilities	Plot no. 153, Sector 3 at IMT Manesar , Gurgaon	(i) 5 half yearly installments of Rs. 551646/- (ii)Enhanced cost of Rs. 14385600/- payable in 5 half yearly installments of Rs. 2877120/- each commencing from 31/10/2012
		Plot no. 257, Sector 6 at IMT Manesar , Gurgaon	(i) 5 half yearly installments of Rs. 201353/- (ii)Enhanced cost of Rs. 6393600/- payable in 5 half yearly installments of Rs. 1278720/- each commencing from 31/10/2012
		Working Housing unit at IMT Manesar, Gurgaon	8 half yearly installments of Rs. 71250/-
		Dormitory House at IMT Manesar , Gurgaon	8 half yearly installments of Rs. 140625/-

(iii) Period and amount overdue and unpaid as on the Balance Sheet date (continuing defaults):

NATURE OF FACILITY		AMOUNT OF DEFAULT (₹)	DUE DATE	STATUS
Deferred Payment Liabilities	Working Housing unit at IMT Manesar, Gurgaon	2,85,000	02.03.2013	Unpaid
	Dormitory House at IMT Manesar , Gurgaon	5,62,500	05.03.2013	Unpaid
	IMT Manesar, Gurgaon Plot No 153	19,52,931	01.08.2011	Unpaid
		21,68,103	30.04.2013	Unpaid
	IMT Manesar, Gurgaon Plot No 153 (Enhancement Cost)	28,77,120	31.10.2013	Unpaid
		28,77,120	30.04.2014	Unpaid
		28,77,120	31.10.2014	Unpaid
	IMT Manesar, Gurgaon Plot No 257 (Enhancement Cost)	4,14,880	30.04.2014	Unpaid
		12,78,720	31.10.2014	Unpaid
	TOTAL		1,52,93,494	

Interest accrued and due Rs.6,698,617/-(previous year Rs.5,059,643/-) remained unpaid as on the date of Balance Sheet.

c. LONG TERM MATURITIES OF FINANCE LEASE OBLIGATIONS

(i) Long term maturities of finance lease obligations are secured by way of hypothecation of vehicles and plant & machinery acquired under finance lease are as under:

NAME OF LENDER	NATURE OF FACILITY	TERMS OF REPAYMENT
Volkswagon Finance Limited	Finance Lease - Vehicle	60 monthly installments of Rs. 86472/-

d. TERM LOANS (UNSECURED) FROM OTHER PARTIES

i) Term loans (unsecured) from other parties are as under:-

NAME OF LENDER	NATURE OF FACILITY	OUTSTANDING AMOUNT (₹)	TERMS OF REPAYMENT
Religare Finvest Limited	Term Loans	5,30,324	36 monthly installments of Rs. 271143/- (including interest)
	TOTAL	5,30,324	
	Current Maturities	5,30,324	

Interest accrued and due Rs. Nil (previous year Rs. 635629/-) remained unpaid as on the date of Balance Sheet.

(ii)

DESCRIPTION	2016-17		2015-16	
	NON CURRENT (₹)	CURRENT (₹)	NON CURRENT (₹)	CURRENT (₹)
Aggregate amount of Term Loans from other parties secured by way of personal guarantees of : Shri L.K. Jain Chairman and Managing Director Shri D.K. Jain Vice Chairman and Managing Director	13,50,976 -	13,72,893 -	5,30,324 -	28,36,473 2,61,30,183
TOTAL	13,50,976	13,72,893	5,30,324	2,89,66,656

NOTE - 6 OTHER LONG TERM LIABILITIES

DESCRIPTION	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)
Others: Security Deposits from customers/employees	1,18,89,193	1,19,05,064
	1,18,89,193	1,19,05,064

NOTE - 7 LONG- TERM PROVISIONS

DESCRIPTION	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)
Provision for employee benefits (refer note no. 33(16)): Gratuity Leave Encashment	24,04,13,505 10,70,39,619	21,89,90,206 8,81,27,528
	34,74,53,124	30,71,17,734

i) The liability towards gratuity is as certified by the actuary.

ii) The Company provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment. The liability is provided based on numbers of days of unutilized leave at each Balance Sheet date as certified by an Actuary.

NOTE - 8 SHORT- TERM BORROWINGS

DESCRIPTION	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)
Secured: a. Loans repayable on demand: Working capital limits from Banks (refer point (a) below)	1,36,45,50,466	1,25,26,96,423
	1,36,45,50,466	1,25,26,96,423
Unsecured: b. Deposits: Fixed Deposits from directors and others (refer point (b) below)	14,81,00,004	14,76,00,002
c. Other loans and advances: From Companies (refer point (c) below)	5,80,55,000	7,29,00,000
	20,61,55,004	22,05,00,002
	1,57,07,05,470	1,47,31,96,425

(a) Working capital limits from banks (secured)

1) Working capital limits from consortium banks are from Canara Bank and State Bank of India in the ratio of 70:30 and are secured by way of pari passu first charge against hypothecation of entire chargeable current assets i.e stock (including goods in transit) and book debts (present and future) of the Company and pari passu second charge on fixed assets of the Company consisting of land and building, plant and machinery and other fixed assets including capital work in progress (present and future) and guaranteed by Directors of the Company and their relatives. Working capital limits from consortium banks are further secured by way of equitable mortgage of:

i) Plant I and II of the Company Property part of Khewat No 124/115, Khatoni No 171, Killa No 96/(713/2(3-8, 14/2 (10-3), 15/1(1-12)-17(9-4)-24(7-12) and Part of Khewat No 129/120, Khatoni No 183 min, Killa No 96(4/1(2-17)-7/3/1(4-1) situated at 8.5 lane Mile Stone, Village Totoli, Jind Road. Rohtak-124001 Haryana. Plant III of the Company. Plot no 153, Sector 3 IMT Manesar, Gurgaon-122050 Haryana measuring 4050 sq mtrs. Packaging Unit of the Company Plot No 257 Sector 6 IMT Manesar Gurgaon-122050, Haryana (India) measuring 1800 sq mtrs. Plant IV of the Company Part of Khewat No 141 Min. Khatoni No 176 Min, Killa No 122/1(5-4) and Part of Khewat No 140 Min, Khatoni No 175 Min Killa No 103/108(8-0), 11(8-0), 20(8-0) and Part of Khewat No 103/1(8-0), 104(5/2(4-0), 5/3(2-0) and Part of Khewat No 140 N.H. 10 Near Sudhir Automotive NH-10, Kharwae Delhi Road Rohtak 124001 Haryana, measuring 45496 sq yards.

ii) Property situated at adjacent LPS Plant-II and near Canara Bank and Honda Showroom Hissar Road Industrial Area, Rohtak in the name of Smt. Sushila Devi Jain wife of Late Shri Bimal Prasad Jain measuring 10640 sq yards of land.

- iii) Agriculture land part of Khewat no 97 Min, Khatoni no 117 Min. and Killa no 126/12/2/1(2-3) and part of Khewat no 90 Min, Khatoni No 103 Min and Killa no 126/19/2 (7-13), 22/1(6-5) and Part of Kheat no 88/97 Min, Khatoni no 10 Min and Killa no 126/22/2(1-8) 23(8-0) and part of Khewat no 97 Min, Khatoni no 117 Min and Killa no 147/1/(8-0)3(6-17)4(7-7) and part of Khewat no 91 Min, Khatoni no 103 Min and Killa no 147/3 Min Northern 4-9 situated at near LPS Bossard and Kharwar village Rohtak Delhi Road NH 10, Village Kharwar, Distt Rohtak, Haryana measuring 46125 acres.
- iv) First pari passu charge with other consortium members on Dies and Tools capitalised during financial year 2010-2011 and 2011-12.
- v) Exclusive charge on Dies and Tools capitalised during financial year 2012-13.
- 2) Working capital limits from Corporation Bank Limited (outside consortium) are secured against equitable mortgage of Industrial plot measuring 16 Kanal 3 Marla situated in the Revenue Village Kutana, Tehsil and District Rohtak, Hayana in the name of the Company.
- 3) Working capital limits from Kotak Mahindra Bank are secured against book debts of the Company namely Maruti Suzuki India Limited (MSIL) and Honda Motorcycle and Scooter India Private Limited (HMSI) and are further secured against personnel guarantees of Shri Lalit Kumar Jain, Shri Dinesh Kumar Jain, Shri Vijay Kumar Jain, and Shri Rajesh Jain, Directors of the Company.

4) Aggregate amount of loans guaranteed by the Directors of the Company and their relatives	AMOUNT (₹)	AMOUNT (₹)
	1,36,45,50,466	1,25,26,96,423
5) Period and amount of overdue and unpaid as on the Balance Sheet date:		

NATURE OF FACILITY	AMOUNT OF DEFAULT (CONTINUING AS ON BALANCE SHEET DATE) (₹)	PERIOD OF OVERDUE SINCE LAST IRREGULARITY (DAYS)
Working Capital limits with Canara Bank	3,66,73,147	4 Days
Working Capital limits with State Bank of India	1,14,98,887	36 Days

b) Deposits from directors and others (unsecured)

- 1) Deposits are from directors and others and are repayable on demand.
- 2) Interest accrued and due Rs. 98,79,753/- (previous year 2,03,04,712/-) on Fixed Deposit from directors and others remained unpaid as on the Balance Sheet date.

c) Other loans and advances from Companies (unsecured)

- 1) Other loans and advances are from Companies and repayable on demand.
- 2) Interest accrued and due Rs.23,34,110 /- (previous year Rs. 11,00,000/-) remained unpaid as on the Balance sheet date.

NOTE- 9 TRADE PAYABLES

DESCRIPTION	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)
	PLANT I+II	PLANT I+II
Related Parties	12,80,54,122	60,24,907
Others	42,64,40,908	72,69,56,834
	55,44,95,030	73,29,81,741

- i) Trade payables include payable to a subsidiary company Rs. 1,22,46,224/- (Previous Year Rs.1,06,30,721/-).
- ii) Information required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended 31st March, 2017. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

PARTICULARS	YEAR ENDED 31ST MARCH, 2017	YEAR ENDED 31ST MARCH, 2016
1) Principal amount and interest due thereon remaining unpaid to any supplier	Nil	Nil
2) The amount of interest paid by the buyer in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
3) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
4) The amount of interest accrued and remaining unpaid	Nil	Nil
5) The amount of interest further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil

NOTE- 10 OTHER CURRENT LIABILITIES

PARTICULARS	YEAR ENDED 31ST MARCH, 2017	YEAR ENDED 31ST MARCH, 2016
Current maturities of long- term debt (refer point (a) below)	39,64,89,222	26,44,27,506
Current maturities of deferred payment liabilities (refer note no. 4b)	1,52,59,494	1,52,93,494
Current maturities of finance lease obligations (refer note no. 4c)	8,20,325	19,80,540
Interest accrued but not due on borrowings	86,93,396	95,53,677
Interest accrued and due on borrowings	15,64,37,129	6,93,04,866
Unpaid dividends (refer point (b) below)	14,99,914	17,42,437
Advances and progress payments from customers	10,81,21,961	9,28,29,202
Creditors for capital goods	1,32,40,591	2,10,45,322
HDFC Bank, Rohtak (Current Account) (refer point (c) below)	0	60,91,448
Excise duty payable (refer point (d) below)	5,55,87,969	5,34,76,418
Employees benefit expenses (refer point (e) below)	12,94,15,937	8,72,37,055
Statutory dues (refer point (f) below)	31,42,23,918	19,78,76,116
Other payables (refer point (g) and (h) below)	2,90,03,050	5,27,85,132
	1,22,87,92,905	87,36,43,212
a) Current maturities of long- term debt includes:		
i) Current maturities of long- term debt (secured) (refer note no. 4a)	39,59,58,898	23,54,60,849
ii) Current maturities of long- term debt (unsecured) (refer note no. 4d)	5,30,324	2,89,66,656
	39,64,89,222	26,44,27,506

b) Investor Protection and Education Fund is being credited by the amount of unclaimed dividend after seven years from the due date. The Company has transferred and deposited a sum of Rs. 242524/- (previous year Rs. 392280/-) out of unclaimed dividend pertaining to the F.Y. 2008-09 (previous year F.Y. 2007-08) to Investor Education and Protection Fund of the Central Government in accordance with the provisions of section 125 of the Companies Act, 2013 (section 205C of the Companies Act, 1956).

c) Credit balance with HDFC Bank Limited, Rohtak is due to uncashed cheques.

d) The Company has made a provision of excise duty payable amounting Rs 5,55,87,969/- (previous year Rs. 5,34,76,418/-) on stocks of finished goods and scrap material at the end of the year. Excise duty is considered as an element of cost at the time of manufacture of goods.

e) Employees benefit expense includes Rs.1,93,80,740/- (Previous year Rs. 1,15,12,608/-) payable to Directors of the Company.

f) Statutory dues are in respect of PF, ESI, Sales Tax, TDS, Service Tax, Withholding Tax, Wealth Tax, TCS, Labour Welfare Fund, Work Contract Tax, Professional Tax, Interest on TDS, Interest on Income Tax, Income tax, Interest on Sales Tax, Interest on PF/ESI, R&D Cess and Excise Duty.

g) Other payables includes job work charges, repairs, audit fees, advertisement, rent, consultancy and other expenses payable.

h) Other payables includes payable to:

NAME OF PARTY	2016-17	2015-16
Sushila Devi Jain	71,78,265	49,88,038
Indian Fasteners Limited	12,59,578	2,93,084
	84,37,843	52,81,122

NOTE - 11 SHORT- TERM PROVISIONS

DESCRIPTION	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)
a. Provision for employee benefits (refer note no. 33(16)):		
Gratuity	1,03,60,439	1,55,76,293
Leave Encashment	1,98,42,501	1,10,65,661
	3,02,02,940	2,66,41,954
b. Others		
Income Tax and Wealth Tax	0	2,50,00,000
	0	2,50,00,000
	3,02,02,940	5,16,41,954

Provisions are recognized for expenses such as gratuity, leave encashment, income tax and wealth tax. The provisions are recognized on the basis of past events and the probable settlement of the present obligation as a result of the past events during the financial year 2016-17.

The movement in provisions are as under:

DESCRIPTION	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)
1. Balance at the beginning of the financial year		
Income Tax	4,24,77,093	2,07,83,257
Wealth Tax	3,06,508	3,06,508
Leave Encashment (Long Term Rs. 8,81,27,528/-)	9,91,93,189	9,05,55,610
Gratuity (Long Term Rs. 21,89,90,206/-)	23,45,66,499	21,93,81,958
TOTAL	37,65,43,289	33,10,27,333
2. Provision recognized		
Income Tax	-	2,50,00,000
Wealth Tax	-	-
Leave Encashment	2,50,52,216	1,64,09,646
Gratuity	2,54,45,361	3,62,91,230
TOTAL	5,04,97,577	7,77,00,876
3. Provision utilized		
Income Tax	1,58,86,823	15,00,000
Wealth Tax	-	-
Leave Encashment	40,12,963	77,72,067
Gratuity	27,89,324	2,11,07,239
TOTAL	2,26,89,110	3,03,79,306
4. Provision unused, reversed		
Income Tax	-	18,06,164
Wealth Tax	-	-
Leave Encashment	(2,57,282)	-
Gratuity	-	(550)
TOTAL	(2,57,282)	18,05,614
5. Balance at the end of the financial year		
Income Tax*	2,65,90,270	4,24,77,093
Wealth Tax**	3,06,508	3,06,508
Leave Encashment (Long Term Rs. 10,70,39,619/-)	12,04,89,724	9,91,93,189
Gratuity (Long Term Rs. 24,04,13,505/-)	25,72,22,536	23,45,66,499
TOTAL	40,46,09,038	37,65,43,289

* Rs. 2,65,90,270/- (Previous year Rs. 4,24,77,093/-) includes in statutory dues under other current liabilities.

** Rs. 3,06,508/- (Previous year Rs. 306508/-) included in statutory dues under other current liabilities.

NOTE - 12 FIXED ASSETS

DESCRIPTION	GROSS BLOCK			DEPRECIATION					NET BLOCK		
	AS AT 01.04.2016 (₹)	ADDITIONS (₹)	SALES/ ADJUSTMENT (₹)	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)	FOR THE PERIOD (₹)	SALES/OTHER ADJUSTMENT (₹)	SET-OFF FROM RETAINED EARNINGS (₹)	AS AT 31.03.2017 (₹)	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)
A. TANGIBLE :	-	-	-	-	-	-	-	-	-	-	-
1 Industrial Land:	-	-	-	-	-	-	-	-	-	-	-
Freehold Land	21,63,14,020	-	(30,27,356)	21,32,86,664	-	-	-	-	21,32,86,664	21,63,14,020	-
Leasehold Land	1,83,98,416	-	-	1,83,98,416	-	-	-	-	1,83,98,416	1,83,98,416	-
2 Factory Building	25,97,45,064	-	-	25,97,45,064	10,14,17,322	1,03,09,918	-	-	11,17,27,240	14,80,17,824	15,83,27,742
3 Office Premises:	-	-	-	-	-	-	-	-	-	-	-
Freehold offices	8,13,362	-	-	8,13,362	6,02,140	32,297	-	-	6,34,437	1,78,925	2,11,222
Leasehold Offices	5,53,040	-	-	5,53,040	4,39,842	23,197	-	-	4,63,039	90,001	1,13,198
4 Plant and Machinery	-	-	-	-	-	-	-	-	-	-	-
Plant & Machinery	2,63,13,75,279	1,12,43,277	(3,42,87,280)	2,60,83,31,276	1,57,71,39,048	14,81,51,443	(13,58,84,814)	-	1,58,94,05,677	1,01,89,25,599	1,05,42,36,231
Dies & Tools	-	-	-	-	-	-	-	-	-	-	-
Effluent Treatment	-	-	-	-	-	-	-	-	-	-	-
5 Furnitures and Fixtures	4,82,96,644	84,900	-	4,83,81,544	4,10,12,612	14,11,984	-	-	4,24,24,596	59,56,948	72,84,032
6 Electric fans and Installations	4,21,17,735	2,215	-	4,21,19,950	3,45,66,298	29,02,048	-	-	3,74,68,346	46,51,604	75,51,437
7 Office Equipments	3,68,18,080	3,54,372	-	3,71,72,452	3,19,31,988	15,49,165	-	-	3,34,81,153	36,91,298	48,86,092
8 Computers	7,89,58,594	15,81,630	-	8,05,40,224	7,64,22,007	11,82,898	-	-	7,76,04,905	29,35,319	25,36,587
9 Vehicles	10,62,76,722	-	(61,54,736)	10,01,21,986	8,09,16,023	52,20,885	(58,44,168)	-	8,02,92,740	1,98,29,246	2,53,60,699
10 Weighing Scales	16,74,145	73,981	(82)	17,48,044	14,41,055	28,469	-	-	14,69,524	2,78,520	2,33,090
11 Fire Extinguishers	8,97,621	3,062	-	9,00,683	8,72,798	5,330	-	-	8,78,128	22,555	24,823
Total tangible assets for current year	3,44,22,38,722	1,33,43,437	(4,34,69,454)	3,41,21,12,705	1,94,67,61,133	17,08,17,634	(14,17,28,982)	-	1,97,58,49,786	1,43,62,62,919	1,49,54,77,589
Total tangible assets for previous year	2,65,84,62,029	78,67,96,072	(30,19,379)	3,44,22,38,722	1,81,93,47,988	15,12,81,083	(2,40,08,932)	1,07,523	1,94,67,27,662	1,49,55,11,060	8,39,14,041
B. INTANGIBLE :											
1. Computer software	92,24,028	6,30,000	-	98,54,028	72,26,193	4,60,280	-	-	76,86,473	21,67,555	19,97,835
Total intangible assets for current year	92,24,028	6,30,000	-	98,54,028	72,26,193	4,60,280	-	-	76,86,473	21,67,555	19,97,835
Total intangible assets for previous year	91,24,765	99,263	-	92,24,028	62,56,594	9,69,477	(1,705)	1,827	72,26,193	19,97,835	28,68,173
C. CAPITAL WORK-IN- PROGRESS :											
	17,96,09,146	6,29,36,135	-	24,25,45,281	-	-	-	-	-	24,25,45,281	17,96,09,146
Total CWIP for current year	17,96,09,146	6,29,36,135	-	24,25,45,281	-	-	-	-	-	24,25,45,281	17,96,09,146
Total CWIP for previous year	24,30,35,539	4,25,35,041	(10,59,61,434)	17,96,09,146	-	-	-	-	-	17,96,09,146	24,30,35,539
TOTAL (A+B+C) CURRENT YEAR	3,63,10,71,896	7,69,09,572	(4,34,69,454)	3,66,45,12,014	1,95,39,87,326	17,12,77,915	(14,17,28,982)	-	1,98,35,36,259	1,68,09,75,755	1,67,70,84,570
TOTAL (A+B+C) PREVIOUS YEAR	2,91,06,22,333	82,94,30,376	(10,89,80,813)	3,63,10,71,896	1,82,56,04,582	15,22,50,560	(2,40,10,637)	1,09,350	1,95,39,53,855	1,67,71,18,041	32,98,17,753

Notes:

1. Depreciation has been provided on rates as per Schedule II of the Companies Act, 2013 on WDV basis except in case of Plant-II, Manesar Plants and Recoil Division and Tool and Dies only in Plant-I & Plant-IV where depreciation has been provided on Straight line method.
2. Depreciation on assets for a value not exceeding Rs 5000/- has been provided @ 100%.
3. Additions in fixed assets include Rs. 55,436,971/- (last year Rs 3,84,11,005/-) capitalised on account of borrowing costs in accordance with AS-16 "Borrowing Cost" issued by Institute of Chartered Accountants of India.
4. Leasehold Offices Premises are in respect of office flats at Bangalore.
5. Freehold Offices Premises are in respect of office flats at Mumbai and Delhi.
6. Additions in freehold land includes stamp duty charges, development charges and interest capitalised.
7. Plant & machinery includes capital expenditure of Rs. 57,34,061/- (Previous Year Rs Nil) on Research & Development.
8. The Company, in the current year has changed its accounting policy of depreciation from written down value method to straight line method with respect to Dies and Tools in Plant-I & IV. The financial impact of the above change in depreciation policy is referred in Note no. 34(30).

NOTE - 13 NON- CURRENT INVESTMENTS

DESCRIPTION	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)
Long- term investments- at cost		
Trade (unquoted)		
Investment in Equity Instruments		
Subsidiary Company		
Indian Fasteners Limited, Rohtak 4,81,550 Equity Shares of Rs. 10/- each, fully paid-up 40000 Equity Shares of Rs. 4.01/- each	45,75,900	45,75,900
Associate Companies		
Hanumat Wires Udyog Private Limited, Rohtak 2,79,300 Equity Shares of Rs. 10/- each	27,93,000	27,93,000
J C Fastners Limited, Rohtak 7,00,000 Equity Shares of Rs. 10/- each	70,00,000	70,00,000
Lakshmi Extrusions Limited, Rohtak 30,000 Equity Shares of Rs. 100/- each	30,00,000	30,00,000
Joint Ventures*		
LPS Bossard Information Systems Private Limited 1,84,749 Equity Shares of Rs.10/- each	-	18,47,490
Aggregate amount of unquoted investments	1,73,68,900	1,92,16,390

*In terms of joint venture agreement entered into with Bossard AG, Switzerland on 26.06.1997, the Company has invested a sum of Rs 18,47,490/- in LPS Bossard Information Systems Private Limited towards allotment of 1,84,749 equity shares of Rs. 10/- each, towards 49% holding in the aforesaid companies. The Company has gone into liquidation and official liquidator has been appointed. The liquidation proceeding is pending for order.

NOTE - 14 LONG- TERM LOANS AND ADVANCES

DESCRIPTION	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)
Unsecured, considered good		
Capital Advances	57,27,863	91,15,088
Security Deposits		
With Electricity Departments	2,82,19,700	2,38,72,261
With Sales Tax/VAT Departments	-	20,000
With Other Government Departments	4,44,315	3,49,815
With Others	62,11,168	63,88,668
With Intec Capital Limited as cash collateral against borrowing	1,88,75,431	1,88,75,431
	5,94,78,477	5,86,21,263

NOTE - 15 OTHER NON- CURRENT ASSETS

DESCRIPTION	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)
Unsecured, considered good		
Others		
Technical knowhow fee:		
As per last Balance Sheet	10,62,400	-
Add: Additions during the year	26,81,000	13,28,000
	37,43,400	13,28,000
Less: Written off	37,43,400	2,65,600
	-	10,62,400
Non Current assets	-	7,96,800
Current assets (refer note no.20)	-	2,65,600

NOTE - 16 INVENTORIES

DESCRIPTION	AS AT 31.03.2017(₹)	AS AT 31.03.2016 (₹)
Raw materials	6,49,33,124	16,20,80,341
Work- in- progress	89,75,46,051	90,94,77,350
Finished goods (including goods- in- transit of Rs. 4,70,595/- (previous year Rs. 1,35,738/-)	52,11,48,564	49,81,50,351
Stock- in- trade (Traded goods)	-	21,06,931
Consumable stores and spare parts	41,13,54,501	36,58,79,585
Packing materials	4,81,95,872	4,50,09,515
Stationary in hand	2,80,847	2,93,017
Postage and foreign stamps	2,713	2,509
Scrap materials (at realisable value)	2,05,69,497	2,28,01,459
	1,96,40,31,169	2,00,58,01,058

Inventories have been valued at lower of cost and net realizable value. Cost has been ascertained in case of Semi-finished goods at 66% less on price-list and finished goods have been valued at 57% less on price-list 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 exact cost is not ascertainable. Excise duty payable on finished goods and scrap materials are shown separately as part of manufacturing cost and is included in the valuation of finished goods and scrap materials. Inventories are consumed on FIFO (First in First out) basis. Scrap material has been valued at net realisable value.

During the current financial year, the price list used for valuation of cost of the inventories as mentioned above has been revised to the selling prices of finished goods mentioned in the revised price list as on 01.01.2015. The above change in estimates has been detailed in note no. 34(29) of the financial statements.

NOTE - 17 TRADE RECEIVABLES

DESCRIPTION	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)
Debts outstanding for a period exceeding six months from the date they are due for payment		
Unsecured		
Considered good	12,53,44,060	22,95,59,254
Considered doubtful	1,55,88,488	1,55,61,275
	14,09,32,547	24,51,20,529
Less: Provision for doubtful debts	1,55,88,488	1,55,61,275
	12,53,44,060	22,95,59,254
Other Debts		
Unsecured		
Considered good	42,56,94,708	51,24,12,000
	42,56,94,708	51,24,12,000
	55,10,38,768	74,19,71,254

Trade receivables include:

- Rs.7,880 /- (previous year Rs. 7,880/-) due from J C Fastners Limited, an Associate Company (provision for doubtful debts recognised Rs. 7,880/-)
- Rs. 4,48,058/- (previous year Rs. 4,48,058/-) due from Lakshmi Extrusions Limited, an Associate Company (provision for doubtful debts recognised Rs. 8,058/-).

NOTE - 18 CASH AND BANK BALANCES

DESCRIPTION	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)
Cash and cash equivalents		
Balances with Banks in current accounts	21,48,935	1,49,14,418
Cash on hand	1,56,780	80,87,861
	23,05,715	2,30,02,279
Other Bank Balances		
Fixed Deposits*		
Pledged as margin money against bank guarantees	13,57,635	12,34,766
Pledged as margin money against letter of credits	4,20,67,583	6,24,96,197
Lien against public deposits	50,00,000	86,80,793
No lien account	-	77,43,338
Unpaid dividend accounts**	14,99,913	17,42,437
	4,99,25,131	8,18,97,531
	5,22,30,847	10,48,99,810

* Fixed deposits with banks include deposits of Rs. 4,20,097/- (Previous Year of Rs. 5,76,38,996/-) with maturity of more than 12 months.

** The Company can utilise the balance only towards settlement of unclaimed dividends.

NOTE - 19 SHORT- TERM LOANS AND ADVANCES

DESCRIPTION	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)
(Unsecured, considered good)		
Loans and advances to related parties (refer point (a) below)	71,74,874	1,59,60,028
Others		
Advances against Materials and Services	11,64,78,668	13,70,28,703
Prepaid Expenses	45,11,813	67,45,463
Balance with Central Excise Department (refer point (a) below)	3,81,21,950	1,55,20,826
Cenvat on capital goods	20,22,260	28,33,527
Advances to staff	65,47,118	62,75,573
Employee advance under litigation (refer note no. 34(2))	1,60,59,342	1,60,59,342
Advance income Tax	-	-
Other advances (refer point (b) below)	1,82,43,189	1,65,14,896
Interunit Balance	-	-
	20,91,59,214	21,69,38,357

a) That the balance with central excise department includes balance in central excise account at head office, duty paid on stocks lying at the branches and with consignees.

b) Other advances include service tax to be availed, VAT refund due, TDS recoverable and staff imprest accounts.

NOTE - 20 OTHER CURRENT ASSETS

DESCRIPTION	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)
(Unsecured, considered good)		
Interest accrued on deposits and others	78,05,012	1,89,02,966
Claims receivable	2,93,42,571	5,43,726
Income tax refund due	-	1,70,50,839
TDS Receivable	40,63,121	-
Export incentives receivable	50,93,105	61,63,378
Licences in hand	18,77,875	18,77,875
Deffered R&D Expenditure	1,88,88,078	-
Technical knowhow fee (refer note no. 15)	-	2,65,600
	6,70,69,762	4,48,04,384

NOTE - 21 REVENUE FROM OPERATIONS

DESCRIPTION	YEAR ENDED 31.03.2017 (₹)	YEAR ENDED 31.03.2016 (₹)
Sale of products		
Sale of Machine Screws	2,45,89,99,391	3,03,75,38,172
Export Sales	7,45,20,865	-
Sale of Machine Screws (Traded)	30,60,39,248	32,76,76,306
Other operating revenues		
Sale of Scrap Materials	2,57,17,521	4,05,00,438
Job work receipts	-	2,30,307
Export Incentives	28,07,470	61,63,378
	2,86,80,84,495	3,41,21,08,601
Less: Excise Duty	28,11,64,002	31,29,36,596
	2,58,69,20,493	3,09,91,72,005

NOTE - 22 OTHER INCOME

DESCRIPTION	YEAR ENDED 31.03.2017 (₹)	YEAR ENDED 31.03.2016 (₹)
Rent	4,35,400	50,400
Interest on fixed deposits with banks, loans, securities and from customers	60,24,902	1,21,24,676
Profit on sale of fixed assets	1,28,07,889	12,243
Exchange rate fluctuations (net)	-	1,66,18,148
Dividend from long term, trade investments	-	47,04,038
Excess Depreciation Withdrawn	13,08,55,707	-
Miscellaneous receipts	42,18,294	54,40,677
	15,43,42,192	3,89,50,182

a) Interest received includes a sum of Rs. 26,31,580/- (previous year Rs. 85,33,807/-) on bank deposits, Rs. 7,97,508/- (previous year Rs. 6,319/-) from trade customers on loans and Rs. 24,10,337/- (previous year Rs. 27,87,043/-) on securities.

b) Dividend Income received from LPS Bossard Private Limited, a joint venture company (upto 23rd March, 2016) (refer note no.34(5)(a)).

c) Miscellaneous receipts includes tooling cost recovery, cash discount received, cost recharge and other miscellaneous receipts.

NOTE - 23 COST OF MATERIALS CONSUMED

DESCRIPTION	YEAR ENDED 31.03.2017 (₹)	YEAR ENDED 31.03.2016 (₹)
Wire/ Wire Rods Alloys	75,44,27,927	91,12,71,840
Stainless Steel/ Bars	7,63,05,899	2,50,72,915
	83,07,33,827	93,63,44,755

NOTE - 24 PURCHASES OF STOCK- IN- TRADE

DESCRIPTION	YEAR ENDED 31.03.2017 (₹)	YEAR ENDED 31.03.2016 (₹)
Machine Screws	30,52,97,940	32,43,99,543
	30,52,97,940	32,43,99,543

NOTE - 25 PURCHASES OF SEMI- FINISHED- GOODS

DESCRIPTION	YEAR ENDED 31.03.2017 (₹)	YEAR ENDED 31.03.2016 (₹)
Washer, Cap and Springs	5,72,65,789	11,80,26,135
	5,72,65,789	11,80,26,135

NOTE - 26 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK- IN- PROGRESS AND STOCK- IN- TRADE

DESCRIPTION	YEAR ENDED 31.03.2017 (₹)	YEAR ENDED 31.03.2016 (₹)
Opening Stocks:		
Machine Screws		
Finished goods	49,76,79,756	49,80,19,645
Finished goods (Traded)	21,06,931	24,50,554
Finished goods- in- transit	4,70,595	1,35,738
Semi- finished- goods	90,94,77,350	90,74,94,561
Semi- finished- goods (Washer, Cap and Springs)	-	9,52,38,960
Scrap materials	2,28,01,459	1,03,14,616
	1,43,25,36,091	1,51,36,54,073
CLOSING STOCKS:		
Machine Screws		
Finished goods	52,06,93,362	49,76,79,756
Finished goods (Traded)	-	21,06,931
Finished goods- in- transit	4,55,202	4,70,595
Semi- finished- goods	89,75,46,051	90,94,77,350
Semi- finished- goods (Washer, Cap and Springs)	-	-
Scrap materials	2,05,69,497	2,28,01,459
	1,43,92,64,112	1,43,25,36,091
(Increase)/Decrease in inventories is as under:		
Finished goods	(2,30,13,606)	3,39,889
Finished goods (Traded)	21,06,931	3,43,623
Finished goods- in- transit	15,393	(3,34,857)
Semi- finished- goods	1,19,31,299	(19,82,789)
Semi- finished- goods (Washer, Cap and Springs)	-	9,52,38,960
Scrap materials	22,31,962	(1,24,86,843)
	(67,28,021)	8,11,17,982
Less : Transferred to exceptional items (refer note no. 31)	-	5,02,15,365
	(67,28,021)	3,09,02,617

NOTE - 27 EMPLOYEE BENEFITS EXPENSE

DESCRIPTION	YEAR ENDED 31.03.2017 (₹)	YEAR ENDED 31.03.2016 (₹)
Salaries, Wages, Bonus and other amenities	64,91,41,303	61,58,70,966
Co's contribution towards LIC Gratuity Trust & Leave Encashment	5,05,50,560	5,27,00,876
Co's contribution towards P.F., E.S.I and L.W.F.	2,72,86,870	2,69,67,001
Staff welfare expenses	94,58,955	1,41,47,813
	73,64,37,688	70,96,86,656

(i) Employee benefits expenses include managerial remuneration Rs.2,70,00,000 (Rs Nil debited under exceptional items) (Previous year managerial remuneration of Rs. 3,67,91,000/-, out of which debited under exceptional items Rs. 5,89,000/-).

(ii) The managerial remuneration has been paid in terms of sanction from Central Government under section 2(94), 2(78), 197 and 200 of the Companies Act, 2013, vide letters ref# SRN C78372638, C78373354 & C78374097 dated 17th October, 2016 which are valid upto 31st December, 2017.

NOTE - 28 FINANCE COSTS

DESCRIPTION	YEAR ENDED 31.03.2017 (₹)	YEAR ENDED 31.03.2016 (₹)
Interest expense	36,84,85,002	31,65,61,736
Financial charges	3,18,613	33,07,517
Bank charges and Front end fee	3,68,10,343	6,00,85,542
	40,56,13,957	37,99,54,795

NOTE - 29 OTHER EXPENSES

DESCRIPTION	YEAR ENDED 31.03.2017 (₹)	YEAR ENDED 31.03.2016 (₹)
Consumable stores and spare parts	7,72,71,555	6,25,24,361
Power and fuel	17,08,00,554	19,42,24,285
Rent	66,66,733	70,54,373
Repairs to buildings	23,77,767	41,02,252
Repairs to machinery	22,49,859	19,81,461
Insurance	40,10,986	48,99,500
Rates and taxes	12,00,242	7,92,359
Job work charges	10,57,33,585	15,89,47,189
Packing expenses	2,06,05,336	4,51,18,859
Dies and tools consumed	17,71,872	2,05,12,916
Research and development expenses (refer note no. 34(7))	47,22,019	2,14,55,810
Travelling and conveyance	7,25,74,201	7,49,36,835
Royalty and Technical know-how fee	51,44,949	7,40,966
Legal and consultancy	1,58,72,827	1,88,96,174
Payment to auditor (Refer Note 34(9))		
As Auditor:		
Audit fee	27,94,000	22,50,000
Tax Audit Fee	-	2,50,000
Limited Review	-	3,00,000
Other matters	-	1,00,000
Reimbursement of expenses	34,684	84,303
Freight, insurance and cartage	4,03,66,722	7,13,13,271
Turnover and cash discount	2,00,05,736	2,30,35,073
Advertisement, publicity and sales promotion	48,81,001	69,41,317
Bad Debts, liquidated damages and short recoveries/short claims	17,36,256	1,53,98,159
Provision for bad and doubtful debts	4,07,740	1,33,16,529
Excise duty and sales tax	67,50,281	88,49,923
Exchange rate fluctuation (net)	(8,12,951)	-
Other expenses	5,84,87,787	3,96,15,973
	62,56,53,740	79,76,41,888

NOTE - 30 PRIOR PERIOD ITEMS (REFER NOTE NO. 34(4))

DESCRIPTION	YEAR ENDED 31.03.2017 (₹)	YEAR ENDED 31.03.2016 (₹)
Interest Expense	-	91,24,932
Cost of Recharge	-	(12,02,328)
Advertisement, publicity and sales promotion	94,500	-
Consumable stores and spare parts	18,17,637	-
Freight, insurance and cartage	36,35,801	-
Job work charges	1,84,623	-
Legal and consultancy	22,68,900	-
Other expenses	1,74,09,672	-
Interest Income	-	(23,78,025)
	2,54,11,133	55,44,579

NOTE - 32 EARNING PER EQUITY SHARE

DESCRIPTION	31.03.2017 (₹)	31.03.2016 (₹)
Net Profit/ (Loss) as per Profit & Loss Account	(40,97,01,284)	(9,56,74,083)
Less:		
Dividend on Cumulative Preference shares for current year	-	-
Tax on dividend on preference shares for current year	-	-
Profit/ (Loss) available for Equity Shareholders	(40,97,01,284)	(9,56,74,083)
Weighted Average No. of Equity Shares for Basic EPS (Nominal value Rs.10/- per share)	1,09,41,667	1,09,41,667
Basic EPS - Weighted Average (in Rs.)	(37.44)	(8.74)
Diluted Basic EPS - Weighted Average (in Rs.)	(37.44)	(8.74)

NOTE - 33 CONTINGENT LIABILITIES AND COMMITMENTS

DESCRIPTION	31.03.2017 (₹)	31.03.2016 (₹)
(a) Contingent liabilities		
i) Letter of credits and guarantees obtained from bank (Net of margin money)	1,69,98,191	14,84,34,219
ii) Liabilities against legal undertakings/bonds executed in favour of DGFT on account of export obligation undertaken by the Company against advance/ import licenses under EPCG Scheme."	6,69,17,398	6,69,17,398
iii) Income Tax liabilities on account of appeals pending with various authorities	77,16,673	77,16,673
iv) Labour strike (refer point (i) below)	2,30,35,314	2,30,35,314
(b) Commitments		
i) Estimated amount of capital contracts remaining to be executed and not provided for (net of advances)	2,58,64,004	8,93,21,138

Note:

i) There was a labour strike in Unit 1 of the Company on 27/02/2016 and there was a shutdown of Plant for the period 04/03/2016 to 31/03/2016 due to various demands of workers. The shut down of the Plant was Struck down by Government of Haryana vide Order no. 15409-17 and the matter was referred for adjudication to Industrial Tribunal. The Company is contesting the case before Industrial Tribunal Labour Court, Rohtak and there is a contingent liability of Rs. 2,30,35,314/- due to various demands by workers on the said account. Based on advise of Solicitors, the Company has adequately represented before judicial authorities and therefore expects no liability on this account and hence no provisions have been recognised. The detail of Contingent liability are as under:-

NATURE OF EXPENSE	AMOUNT (₹)
Salary (Annual Increase)	30,08,625
Allowances due on 31/01/2016	15,34,000
Salary (subject to production)	13,84,250
Salary (during the period of strike/ lockout)	1,71,08,439
	2,30,35,315

NOTE - 34 THE NOTES ON ACCOUNTS

1. The Company has the following subsidiary as on 31.03.2017:

Name of Subsidiary:	Indian Fasteners Limited
Country of Incorporation:	India
Date of control:	24.12.1990
Nature:	Subsidiary Company
Extent of control:	67.30%

2. That there was a misappropriation of funds amounting to Rs.1,60,59,342/- by an employee of the Company in the earlier years. An FIR was lodged with City Police Station, Rohtak on 22.06.2006. Investigations are being conducted. The hearing was conducted on 02.05.2011 in the Court of Chief Judicial Magistrate, Rohtak for the purpose of checking of challan and framing of charges against the employee. The Company had also filed a civil suit for recovery before the Delhi High Court on 13/09/2006. The case is still under litigation and pending before the Hon'ble Delhi High Court. During the current financial year, Rs.20,00,000/- were recovered. The balance amount has been debited to concerned employee and shown under Short- term loans and advances. No provision for the same has been made since the Company expects to recover the entire amount.
3. Interest and other borrowing costs amounting to Rs. 5,54,36,971/-- (previous year Rs. 3,84,11,005/-) have been capitalized to the carrying cost of fixed assets and capital work- in- progress being financing costs directly attributable to the acquisition, construction or installation of the concerned qualifying assets till the date of its commercial use.

4. PRIOR PERIOD ITEMS

- a) The Company during the financial year 2016-17 has recognised job work charges of Rs. 1,84,623/- for the bills received for the financial years 2014-15 and 2015-16 incurred on account of job work done on products, tools and dyes.
- b) The Company during the financial year 2016-17 has recognised expenses for consumable stores and spare parts of Rs. 18,17,637/- for the bills received for the financial year 2015-16.
- c) The Company during the financial year 2016-17 has recognised advertisement expenses of Rs. 94,500/- for the bill dated 15-01-2014 received for the financial year 2013-14.
- d) The Company during the financial year 2016-17 has recognised freight & forwarding charges and other charges on export of Rs. 36,35,801/- for the bills received for the financial year 2014-15 and 2015-16.
- e) The Company during the financial year 2016-17 has recognised legal and consultancy charges of Rs. 22,68,900/- for the bills received for the financial year 2015-16.
- f) The Company during the financial year 2016-17 has recognised other expenses of Rs. 1,74,09,672/- for the bills received for the financial year 2013-14, 2014-15 and 2015-16.

5. EXCEPTIONAL ITEMS:

- a) In terms of joint venture agreement entered into with Bossard AG, Switzerland on 26.06.1997, the Company has invested a sum of Rs 18,47,490/- in LPS Bossard Information Systems Private Limited towards allotment of 1,84,749 equity shares of Rs. 10/- each, towards 49% holding in the aforesaid companies. The Company has gone into liquidation and official liquidator has been appointed. The liquidation proceeding is pending for order.

b) Inventories written down:

Work- in- Progress

The Company had identified dead and slow moving inventory in previous financial year 2015-16 under Work- in- progress having a book value of Rs. 5,45,83,125/- and after recognising a scrap value of Rs. 43,67,760/- , the net write down of Rs. 5,02,15,365/- in the value of Work- in- progress had been treated as an exceptional item in accordance with Accounting Standard- 5, "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies", specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

Consumable stores and spare parts

The Company had identified dead and slow moving inventory in previous financial year 2015-16 under Consumable stores and spare parts having a book value of Rs. 6,97,35,433/- and after recognising scrap value of Rs. 13,67,361/- , the net write down of Rs. 6,83,68,072/- in the value of Consumables stores and spare parts had been treated as an exceptional item in accordance with Accounting Standard- 5, "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies", specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

c) There was a labour strike in Unit 1 of the Company on the 27/02/2016 and there was a shutdown of Plant for the period from 04/03/2016 to 31/03/2016 due to various demands of workers. Due to strike, the following expenses incurred during the shut down period have been treated as exceptional items in pursuance of Accounting Standard-5, "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies" specified under Section 133 of Companies Act, 2013, read with Rule 7 of Companies (Account) Rules, 2014.

NATURE OF EXPENSE	2016-17(₹)	2015-16 (₹)
Salary, Wages, Bonus and other amenities	-	26,55,490
Director's Remuneration	-	5,89,000
Interest expense	-	61,65,320
Travelling and conveyance	-	30,50,725
Power and fuel	-	8,74,065
Other expenses	-	4,06,515
	-	1,37,41,115

6. The Company has capitalized dies and tools amounting to Rs. 49,95,884/- (previous year Rs. 60,64,97,351/-) relating to dies and tools purchased/manufactured during the year.

7. Research and development expenses debited to the statement of profit and loss include the following:

PARTICULARS	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)
a) Employee benefits expense	79,34,275	82,79,501
b) Cost of material consumed	-	1,095
c) Lease rent of research and development equipment	1,29,32,831	1,29,79,478
d) Other expenses	27,42,991	1,95,736
Total Expense during the year	2,36,10,097	2,14,55,810
Less: Expense considered as 'Deferred Revenue Expenditure' under head 'Other Current Assets'	1,88,88,078	-
Expense debited to 'Statement of Profit or Loss	47,22,019	2,14,55,810

8. Foreign currency exposures not hedged by the Company are as follows:-

CURRENCY	NATURE OF TRANSACTION	AS AT MARCH 31, 2017		AS AT MARCH 31, 2016	
		FOREIGN CURRENCY	INDIAN RUPEES (₹)	FOREIGN CURRENCY	INDIAN RUPEES (₹)
USD	Export Trade Receivables	1,68,651	1,09,35,074	2,19,478	1,45,58,583
	Import Trade Payables	3,28,057	2,12,69,940	2,98,062	1,97,71,254
	Creditors for Capital Goods	-	-	22,929	15,20,918
	Other Payable	-	-	7,079	4,69,575
	Buyer's Credit	-	-	90,831	60,24,907
EURO	Export Trade Receivables	1,66,552	1,15,33,353	7,46,515	5,60,59,930
	Import Trade Payables	51,045	35,34,350	3,173	2,38,303
GBP	Export Trade Receivables	16,689	13,49,835	22,295	21,20,031
Yen	Import Trade Payables	-	-	-	-
	Other Payable	-	-	1,38,872	82,018
AED	Import Trade Payables	2,582	45,569	-	-
JPY	Import Trade Payables	1,74,279	1,01,082	-	-

9. Payment to Auditors.

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
As Auditor		
- Audit Fees	19,00,000	22,50,000
In other Capacity		
- Taxation matters	1,50,000	2,50,000
- Other Matters	7,44,000	4,00,000
- Reimbursement of Expenses	34,684	84,303

10. 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.

11. SEGMENT REPORTING:

The segment reporting of the Company has been prepared in accordance with Accounting Standard (AS-17), "Accounting for Segment Reporting", (specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014).

PRIMARY-BUSINESS SEGMENT

The Company is mainly engaged in the business of manufacture of high tensile fasteners. Since the Company is operating in a single line of product, there are no reportable primary segments.

SECONDARY-GEOGRAPHICAL SEGMENT

The analysis of geographical segment is based on geographical location of the customers. The following is the distribution of Company's consolidated revenue by geographical market, regardless of where the goods were produced.

PARTICULARS	31.03.2017 (₹)	31.03.2016 (₹)
Revenue from Operations (Net of Excise):		
Domestic Market	2,50,95,92,158	2,78,44,85,950
Overseas Market	7,45,20,865	30,85,22,677
	2,58,41,13,023	3,09,30,08,627
Segment Assets*:		
Within India	4,57,68,49,406	4,74,29,77,173
Outside India	2,45,03,488	12,71,90,185
	4,60,13,52,894	4,87,01,67,358
Capital Expenditure:		
Within India	7,29,47,383	20,78,56,314
Outside India	39,62,189	1,50,76,711
	7,69,09,572	22,29,33,025
* Net of provision for doubtful receivables		

12. In the opinion of the Board, assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and provision for all known liabilities have been made.

13. RELATED PARTY TRANSACTIONS:

The related parties as per the terms of Accounting Standard- 18, "Related Party Disclosures", (specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) are disclosed below:-

(a) Names of related parties and description of relationship:

Subsidiary:	i Indian Fasteners Limited
Associate Companies:	i Hanumat Wires Udyog Private Limited ii J C Fasteners Limited iii Lakshmi Extrusions Limited
Joint Venture:	i LPS Bossard Information Systems Private Limited (upto 18th April 2016)
Enterprises in which KMP and relatives of such person exercise significant influence:	i Amit Screws Private Limited ii LPS Fasteners & Wires Private Limited iii Nav Bharat Industries (Partnership Firm) iv Nav Bharat Agencies (Partnership Firm) v Shiv Industries (Partnership Firm) vi Swadesh Engineering Industries (Partnership Firm) vii Sudhir Automotive Industries Private Limited viii United Engineers (Partnership Firm) ix Universal Enterprises (Partnership Firm) x Universal Precision Screws (UPS) (Partnership Firm) xi LPS Industrial Supplies Private Limited xii LPS-Ejot Fastening Systems Private Limited xiii Sun Shares Trading & Consultancy Private Limited
Key Management Personnel:	i Shri Lalit Kumar Jain (Managing Director) ii Shri Dinesh Kumar Jain (Managing Director) iii Shri Vijay Kumar Jain (Managing Director) iv Shri Rajesh Jain (Director) v Shri Santosh Kumar Sharma (Company Secretary) vi Shri Kanai Lal Ghorui (Chief Financial Officer)
Relative of Key Management Personnel:	i Shri Sudesh Kumar Jain ii Shri Nikhlesh Jain iii Shri Amit Jain iv Shri Gagan Jain v Shri Gautam Jain vi Shri Rahul Jain vii Smt.Charul Jain viii Smt. Rita Jain ix Smt. Sushila Devi Jain x Smt. Sandhya Jain xi Smt. Samridhi Jain

(b) Related Party

PARTICULARS	SUBSIDIARY		ENTERPRISES WHERE DIRECTORS EXERCISE SIGNIFICANT INFLUENCE		KEY MANAGEMENT PERSONNEL		RELATIVES OF KEY MANAGEMENT PERSONNEL	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
1. Sale of Goods								
LPS Bossard Private Limited	0	0	0	39,30,951	0	0	0	0
LPS Industrial Supplies Pvt Ltd	0	0	6,05,719	10,47,693	0	0	0	0
Universal Precision Screws	0	0	0	39,35,214	0	0	0	0
LPSEJOT Fastening Systems Pvt. Ltd.	0	0	63,12,054	1,36,516	0	0	0	0
TOTAL	0	0	69,17,773	90,50,374	0	0	0	0
2. Purchase of Goods								
Nav Bharat Agencies	0	0	3,75,360	3,81,710	0	0	0	0
Hanumat Wire Udyog Private Limited	0	0	8,09,80,233	10,56,33,092	0	0	0	0
Sudhir Automotive Industries Pvt. Ltd.	0	0	2,368	4,43,210	0	0	0	0
LPS Industrial Supplies Pvt. Ltd.	0	0	2,46,584	34,910	0	0	0	0
TOTAL	0	0	8,16,04,545	10,64,92,922	0	0	0	0
3. Interest received								
Hanumat Wire Udyog Private Limited	0	0	7,17,756	7,97,508	0	0	0	0
TOTAL	0	0	7,17,756	7,97,508	0	0	0	0
4. Rent Received								
LPS Fasteners & Wires Private Limited	0	0	60,000	50,400	0	0	0	0
TOTAL	0	0	60,000	50,400	0	0	0	0
5. Cost of Recharge								
LPSEJOT Fastening Systems Pvt. Ltd.	0	0	0	34,58,772	0	0	0	0
TOTAL	0	0	0	34,58,772	0	0	0	0
6. Rent paid								
Indian Fasteners Limited	9,66,494	18,00,000	0	0	0	0	0	0
Nav Bharat Industries	0	0	8,40,000	8,40,000	0	0	0	0
Sushila Devi Jain	0	0	0	0	0	0	21,90,227	21,17,700
TOTAL	9,66,494	18,00,000	8,40,000	8,40,000	0	0	21,90,227	21,17,700
7. Jobwork paid								
Amit Screws Private Limited	0	0	8,16,375	6,84,118	0	0	0	0
Hanumat Wire Udyog Private Limited	0	0	4,78,26,048	5,38,39,650	0	0	0	0
Universal Enterprises	0	0	37,044	1,40,038	0	0	0	0
Universal Precision Screws	0	0	1,23,480	0	0	0	0	0
Indian Fasteners Limited	16,48,472	12,74,354	0	0	0	0	0	0
J.C. Fasteners Limited	0	0	0	7,50,000	0	0	0	0
LPS Fasteners & Wires Private Limited	0	0	95,68,376	92,25,120	0	0	0	0
Nav Bharat Industries	0	0	49,68,412	45,53,463	0	0	0	0
Shiv Industries	0	0	0	8,14,510	0	0	0	0
Sudhir Automotive Industries Private Limited	0	0	0	0	0	0	0	0
United Engineers	0	0	29,84,248	29,98,714	0	0	0	0
TOTAL	16,48,472	12,74,354	6,63,23,983	7,30,05,613	0	0	0	0
8. Jobwork received								
J.C. Fasteners Limited	0	0	0	3,44,239	0	0	0	0
TOTAL	0	0	0	3,44,239	0	0	0	0
9. Unsecured Loans								
Loans Accepted								
Lalit Kumar Jain	0	0	0	0	4,31,60,918	2,11,65,090	0	0
Dinesh Kumar Jain	0	0	0	0	8,56,73,943	4,93,85,000	0	0
Gagan Jain	0	0	0	0	0	0	23,66,788	20,56,788
Amit Jain	0	0	0	0	0	0	38,89,996	38,89,996
Gautam Jain	0	0	0	0	0	0	20,96,598	20,61,598
Rita Jain	0	0	0	0	0	0	35,00,000	0
Yashika Jain	0	0	0	0	0	0	4,00,000	0
Vijay Kumar Jain	0	0	0	0	34,50,000	0	0	0
Rajesh Jain	0	0	0	0	88,18,878	4,75,436	0	0
TOTAL	0	0	0	0	14,11,03,739	7,10,25,526	1,22,53,382	80,08,382

PARTICULARS	SUBSIDIARY		ENTERPRISES WHERE DIRECTORS EXERCISE SIGNIFICANT INFLUENCE		KEY MANAGEMENT PERSONNEL		RELATIVES OF KEY MANAGEMENT PERSONNEL	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
10. Unsecured Loans								
Loans Repaid								
Lalit Kumar Jain	0	0	0	0	0	1,55,30,056	0	0
Gautam Jain	0	0	0	0	0	0	0	0
Nikhlesh Jain	0	0	0	0	0	0	0	0
Gagan Jain	0	0	0	0	0	0	0	0
Rita Jain	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	1,55,30,056	0	0
11. Remuneration paid								
Lalit Kumar Jain	0	0	0	0	1,38,00,000	1,38,00,000	0	0
Dinesh Kumar Jain	0	0	0	0	-	1,03,80,000	0	0
Vijay Kumar Jain	0	0	0	0	1,32,00,000	1,32,00,000	0	0
Santosh kumar Sharma	0	0	0	0	14,28,408	5,17,945	0	0
Kanai Lal Ghorui	0	0	0	0	27,22,800	12,79,029	0	0
Sudesh Kumar Jain	0	0	0	0	0	0	38,59,560	36,36,000
Gagan Jain	0	0	0	0	0	0	27,45,000	26,10,000
Gautam Jain	0	0	0	0	0	0	27,45,000	26,10,000
Nikhlesh Jain	0	0	0	0	0	0	27,72,000	26,10,000
Amit Jain	0	0	0	0	0	0	26,10,000	26,10,000
Rahul Jain	0	0	0	0	0	0	26,10,000	26,10,000
Saurabh Jain	0	0	0	0	0	0	27,72,000	26,10,000
TOTAL	0	0	0	0	3,11,51,208	3,91,76,974	2,01,13,560	1,92,96,000
12. Interest paid to Directors/Others								
Lalit Kumar Jain	0	0	0	0	1,67,475	2,39,905	0	0
Rajesh Kumar Jain	0	0	0	0	5,54,399	7,94,170	0	0
Vijay Kumar Jain	0	0	0	0	2,29,075	3,28,147	0	0
Dinesh Kumar Jain	0	0	0	0	0	3,00,25,372	0	0
Gagan Jain	0	0	0	0	0	0	3,25,325	2,72,996
Gautam Jain	0	0	0	0	0	0	1,96,350	2,81,268
Amit Jain	0	0	0	0	0	0	3,25,325	4,66,023
TOTAL	0	0	0	0	9,50,949	3,13,87,594	8,47,000	10,20,287
13. Sale Of Investment								
Rajesh Kumar Jain	0	0	0	0	0	22,14,17,345	0	0
Sandhya Jain	0	0	0	0	0	0	0	81,99,934
Rahul Jain	0	0	0	0	0	0	0	78,58,270
Samridhi Jain	0	0	0	0	0	0	0	1,70,832
LPS Industrial Supplies Private Limited	0	0	0	1,70,832	0	0	0	0
Sun Shares Trading & Consultancy Private Limited	0	0	0	16,39,82,788	0	0	0	0
TOTAL	0	0	0	16,41,53,620	0	22,14,17,345	0	1,62,29,036

c) Balance at the end:

PARTICULARS	SUBSIDIARY		ENTERPRISES WHERE DIRECTORS EXERCISE SIGNIFICANT INFLUENCE		KEY MANAGEMENT PERSONNEL		RELATIVES OF KEY MANAGEMENT PERSONNEL	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
1. Balance receivable								
Indian Fasteners Limited	0	0	0	0	0	0	0	0
LPS Bossard Private Limited	0	0	0	4,63,303	0	0	0	0
Lakshmi Extrusion Limited	0	0	0	1,01,96,685	0	0	0	0
J.C. Fasteners Limited	0	0	0	0	0	0	0	0
Universal Precision Screws	0	0	67,86,114	67,86,114	0	0	0	0
LPS Industrial Supplies Pvt Ltd	0	0	78,129	0	0	0	0	0
Nav Bharat Agencies	0	0	0	1,64,718	0	0	0	0
LPSEJOT FASTENING SYSTEMS PVT LTD	0	0	60,20,105	9,618	0	0	0	0
Hanumat Wire Udyog Private Limited	0	0	55,00,003	55,00,003	0	0	0	0
LPS Fasteners & Wires Private Limited	0	0	0	84,594	0	0	0	0
TOTAL	0	0	1,83,84,351	2,32,05,035	0	0	0	0

PARTICULARS	SUBSIDIARY		ENTERPRISES WHERE DIRECTORS EXERCISE SIGNIFICANT INFLUENCE		KEY MANAGEMENT PERSONNEL		RELATIVES OF KEY MANAGEMENT PERSONNEL	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
2. Balance payable								
Indian Fasteners Limited	1,35,05,802	1,09,23,805	0	0	0	0	0	0
Nav Bharat Industries	0	0	5,65,26,128	6,16,17,509	0	0	0	0
Nav Bharat Agencies	0	0	2,39,538	0	0	0	0	0
United Engineers	0	0	1,60,77,468	1,61,46,663	0	0	0	0
J.C. Fasteners Limited	0	0	22,46,068	20,18,832	0	0	0	0
Hanumat Wire Udyog Private Limited	0	0	4,20,28,212	6,31,57,221	0	0	0	0
Amit Screws Private Limited	0	0	18,94,950	13,17,487	0	0	0	0
Shiv Industries	0	0	0	43,22,208	0	0	0	0
Sudhir Automotive Industries Private Limited	0	0	6,163	51,93,192	0	0	0	0
Universal Enterprises	0	0	36,52,687	62,97,765	0	0	0	0
LPS Industrial Suppliers	0	0	1,93,121	7,61,739	0	0	0	0
LPS Fasteners & Wires Private Limited	0	0	21,37,050	0	0	0	0	0
LPS Bossard Private Limited	0	0	0	35,73,363	0	0	0	0
Universal Precision Screws	0	0	40,58,907	39,35,427	0	0	0	0
Lalit Kumar Jain	0	0	0	0	10,50,71,744	9,09,89,803	0	0
Dinesh Kumar Jain	0	0	0	0	42,01,91,729	33,54,47,786	0	0
Vijay Kumar Jain	0	0	0	0	1,89,35,508	1,58,87,652	0	0
Rajesh Kumar Jain	0	0	0	0	1,37,28,564	1,70,50,233	0	0
Santosh Kumar Sharma	0	0	0	0	0	1,66,901	0	0
Kanai Lala Ghorui	0	0	0	0	1,63,416	2,81,103	0	0
Sushila Devi Jain	0	0	0	0	0	0	71,78,265	49,88,038
Sudesh Kumar Jain	0	0	0	0	0	0	28,77,840	3,18,120
Rita Jain	0	0	0	0	0	0	35,00,000	0
Yashika Jain	0	0	0	0	0	0	4,00,000	0
Nikhlesh Jain	0	0	0	0	0	0	20,67,300	2,93,700
Rahul Jain	0	0	0	0	0	0	26,10,000	0
Gagan Jain	0	0	0	0	0	0	36,12,444	60,68,695
Gautam Jain	0	0	0	0	0	0	43,10,746	61,54,296
Amit Jain	0	0	0	0	0	0	41,30,552	1,01,74,094
Saurabh Jain	0	0	0	0	0	0	20,67,300	3,98,100
TOTAL	1,35,05,802	1,09,23,805	12,90,60,292	16,83,41,406	55,80,90,961	45,98,23,478	3,27,54,447	2,83,95,043

14 In accordance with Accounting Standard- 28, "Impairment of Assets", (specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and made applicable from 1st day of April, 2004, the Company has assessed the potential generation of economic benefits from its business units as on the balance sheet date and is of the view that assets employed in continuing business are capable of generating adequate returns over their useful lives in the usual course of business; there is no indication to the contrary and accordingly, the management is of the view that no impairment provision is called for in these accounts.

15 Pursuant to Accounting Standard- 27, "Financial Reporting of Interests in Joint Ventures", (specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014), disclosures in respect of the said joint ventures are given below:

- (i) a) Name of the Venture LPS Bossard Information Systems Private Limited
b) Description of Interest Jointly Controlled Entity (Upto 18th April 2016)
c) Country of Incorporation India
d) Proportion of ownership interest as at March 31, 2016 Nil
- e) The Company has entered into a Share Purchase Agreement dated 10th March, 2016 with Sh. Rajesh Jain, Smt. Sandhya Jain, Sh. Rahul Jain, Smt. Samridhi Jain, M/s. Sun Shares Trading & Consultancy Private Limited and M/s. LPS Industrial Supplies Private Limited for the sale of 100% stake in its Joint Venture, LPS Bossard Private Limited
- f) The Company's share in each of the assets, liabilities, incomes and expenses (each without elimination of the effect of transaction between the Company and the Joint Venture) related to its interest in Joint Venture, based on unaudited financial statements/ financial information as at 18th April, 2016 are as under:

PARTICULARS	18.04.2016	31.03.2016
ASSETS		
Non- current assets		
Fixed assets:		
Tangible assets	-	-
Intangible assets	-	-
Deferred tax assets (net)	-	-
Long- term Loans and advances	-	-
Current assets		
Cash and bank balances	-	22,58,823
Short- term loans and advances	-	-
Other current assets	-	74,407
LIABILITIES		
Non- current liabilities		
Deferred tax liabilities (net)	-	-
Current liabilities		
Other current liabilities	-	-
Short- term provisions	-	-
INCOME		
Other Income	-	-
EXPENDITURE		
Employee benefits expense	-	-
Depreciation and amortisation expense	-	-
Other expenses	-	3,54,005
Current Tax	-	-
Deferred Tax	-	-
CONTINGENT LIABILITIES	Nil	Nil
CAPITAL COMMITMENTS	Nil	Nil

16. Disclosures pursuant to Accounting Standard- 15, "Employee Benefits", (specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) are given below:

DEFINED CONTRIBUTION PLAN

Contribution to Defined Contribution Plan, recognized as expense for the year is as under:

DESCRIPTION	2016-17 (₹)	2015-16 (₹)
Employer's Contribution towards Provident Fund (PF)	*93,16,682	*90,98,771
Employer's Contribution towards Family Pension Scheme (FPS)	**1,64,26,304	**1,65,01,967
Employer's Contribution towards Employee State Insurance (ESI)	16,15,050	15,22,199
	2,73,58,036	2,71,22,937
*Included in Research & development expenses Rs. 46,817/-		
**Included in Research & development expenses Rs. 1,06,169/-		

DEFINED BENEFIT PLAN

The employee's Gratuity Fund Scheme, which is defined benefit plan, is managed by trust maintained with Life Insurance Corporation of India (LIC). The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Gratuity:-

The employees' Gratuity Fund Scheme, which is a defined benefit plan, is managed by the trust maintained with Life insurance Corporation of India (LIC). The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

DESCRIPTION	2016-17 (₹)	2015-16 (₹)	
a. Reconciliation of opening and closing balances of Defined Benefit obligation			
Defined benefit obligation at beginning of the year	26,29,30,329	24,74,46,340	
Interest cost	1,90,44,904	1,82,21,399	
Current Service Cost	2,29,90,312	1,70,77,044	
Benefit paid	(57,21,195)	(2,30,66,993)	
Actuarial (gain) / loss	(1,44,00,101)	32,52,539	
Defined Benefit obligation at year end	28,48,44,249	26,29,30,329	
b. Reconciliation of opening and closing balances of fair value of plan assets			
Fair value of plan assets at beginning of the year	2,83,63,830	2,80,64,382	
Expected return on plan assets	22,19,077	22,59,322	
Employer contribution	22,39,506	4,50,715	
Actuarial gain / (loss)	(51,71,377)	53,403	
Withdrawals	(29,323)	(24,63,992)	
Fair value of plan assets at year end	2,76,21,713	2,83,63,830	
c) Reconciliation of fair value of assets and liabilities			
Fair value of plan assets	2,76,21,713	2,83,63,830	
Present value of obligation	28,48,44,249	26,29,30,329	
Amount recognised in Balance Sheet-Asset / (Liabilities)	(25,72,22,536)	(23,45,66,499)	
Current Portion	2,11,36,154	1,55,76,293	
Non-Current Portion	26,14,70,972	21,89,90,206	
d) Expenses recognised during the year			
Current Service Cost	(57,21,195)	1,70,77,044	
Interest Cost	2,29,90,312	1,82,21,399	
Expected return on plan assets	(22,39,506)	(22,59,322)	
Actuarial (gain) / loss	25,72,22,536	32,52,109	
Net Cost debited to statement of profit and loss	27,22,52,147	3,62,91,230	
e) Broad categories of plan assets as a percentage of total assets			
Insurer managed funds	100%	100%	
f) Actuarial assumptions			
Mortality table (LIC)	IAL 2006-08 Ultimate	IAL 2006-08 Ultimate	
Attrition Rate	0% to 1%	0% to 1%	
Imputed Rate of Interest	7.30% to 7.40%	7.70% to 7.80%	
Salary Rise	8% to 15%	8% to 12%	
Return on Plan Assets	8.25%	8.35%	
Remaining Working Life	10.43 years to 18.63 years	11.17 years to 19.69 years	
g) Actual return on plan assets	22,68,177	23,12,725	
h) Amounts for current and previous periods:*	2016-17	2015-16	2014-15
Present value of obligation	28,48,44,249	26,29,30,329	24,74,46,340
Fair value of plan assets	2,76,21,713	2,83,63,830	2,80,64,382
Surplus / (Deficit)	(25,72,22,536)	(23,45,66,499)	(21,93,81,958)

Notes:

- The plan assets are maintained with Life Insurance Corporation of India (LIC).
- The Company expects to contribute Rs. 75.00 lacs (previous year Rs. 50.00 lacs) to the plan during the next financial year.
- The estimates of rate is escalation in salary's considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the Actuary.
- The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risk, historical results of return on plan assets and the Company's policy for the plan assets management.

Leave Encashment:-

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

DESCRIPTION	2016-17 (₹)	2015-16 (₹)	
Reconciliation of opening and closing balances of Defined Benefit obligation			
Defined benefit obligation at beginning of the year	9,91,93,189	9,05,55,610	
Interest cost	70,92,615	66,97,818	
Current Service Cost	1,71,99,018	1,31,75,017	
Benefit paid	(47,66,581)	(77,72,067)	
Actuarial (gain) / loss	17,71,483	(34,63,189)	
Defined Benefit obligation at year end	12,04,89,724	9,91,93,189	
b) Reconciliation of opening and closing balances of fair value of plan assets			
Fair value of plan assets at beginning of the year	-	-	
Expected return on plan assets	-	-	
Employer contribution	-	-	
Actuarial gain / (loss)	-	-	
Benefits paid	(47,66,581)	(77,72,067)	
Fair value of plan assets at your end	(47,66,581)	(77,72,067)	
c) Reconciliation of fair value of assets and obligations			
Fair value of plan assets	-	-	
Present value of obligation	9,05,55,610	9,91,93,189	
Amount recognised in Balance Sheet-Asset / (Liabilities)	9,05,55,610	9,91,93,189	
Current Portion	1,33,93,909	1,10,65,661	
Non- Current Portion	10,70,95,815	8,81,27,528	
d) Expenses recognised during the year			
Current Service Cost	1,71,99,018	1,31,75,017	
Interest Cost	70,92,615	66,97,818	
Expected return on plan assets	-	-	
Actuarial (gain) / loss	17,71,483	(34,63,189)	
Net Cost debited to statement of profit and loss	2,60,63,116	1,64,09,646	
e) Broad categories of plan assets as a percentage of total assets			
Insurer managed funds	-	-	
f) Actuarial assumptions			
Mortality table (LIC)	IAL 2006-08 Ultimate	IAL 2006-08 Ultimate	
Attrition Rate	0% to 1%	0% to 1%	
Imputed Rate of Interest	7.30% to 7.40%	7.70%-7.80%	
Salary Rise	8% to 15%	8% to 12%	
Return on Plan Assets	N.A.	N.A.	
Remaining Working Life	10.43 years to 18.63 years	11.87 years to 19.69 years	
g) Actual return on plan assets	-	-	
h) Amounts for current and previous periods:			
	2016-17	2015-16	2014-15
Present value of obligation	12,04,89,724	9,91,93,189	9,05,55,610
Fair value of plan assets	-	-	-
Surplus / (Deficit)	12,04,89,724	9,91,93,189	9,05,55,610

Notes:

- The estimates of rate is escalation in salary's considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the Actuary.
- Since the liability is not funded, thereby information with regard to the plan assets has not been furnished. The estimates of rates of escalation in salary considered in actuarial valuation after taking into account inflation seniority, promotion and other relevant factors including supply and demand in the employment market.

17. Disclosure required under Section 186(4) of the Companies Act, 2013.

Particulars of Loans Given:

SL. NO.	LOAN GIVEN TO	OUTSTANDING BALANCE AS ON 31.03.2017 (₹)	PURPOSE OF LOAN
1	Hanumat Wires Udyog Private Limited	5500000	Purchase of machines
2	Lakshmi Extrusions Limited	Nil	Loan

18. Deferred tax assets in respect of timing differences capable of reversal in future and carried forward losses under the Income Tax Act, 1961 has not been recognised in view of absence of virtual certainty supported by convincing evidence that sufficient taxable income will be available in future for reversal of deferred tax assets. The total deferred tax assets not recognised amounting to Rs. 2,942.07 lacs (previous year Rs. 1,591.21 Lacs) as on 31.03.2017.

19. As per the transfer pricing norms prescribed under section 92 of the Income Tax Act, 1961, the Company is required to use certain specified methods in computing arm's length price of international transactions and specified domestic transactions between the associated enterprises and maintain prescribed information and documents relating to such transactions. The appropriate methods to be adopted will depend on the nature of transaction/ class of transaction, class of associated persons, functions performed and other factors, which have been prescribed. The Company is in the process of conducting a transfer pricing study for the current financial year. Accordingly, these financial statements do not include any adjustments for the transfer pricing implications, if any.

20. During the year, the Company has valued the inventory of finished goods at 57% and semi-finished goods at 66% less on the price-list (As per price list dated 1st April, 2015) and special items have been valued at 22% less in the case of finished goods of the selling price and 31% less in case of semi-finished goods. The exact cost of each item is not ascertainable in case of finished goods and semi-finished goods in view of multiple sizes and nature of products. However, the management believes that its impact on financial statements is not likely to be material on adoption of actual cost vis-a-vis the Standard Costing adopted by the Company. The Company plans to review its standard costing system based on the overall cost data every year.

21. CORPORATE SOCIAL RESPONSIBILITY:

The Company does not satisfy the criteria for spending on CSR activities as provided under section 135 of the Companies Act, 2013. Therefore no provision towards Corporate Social Responsibility (CSR) has been made.

DESCRIPTION	2016-17 (₹)	2015-16 (₹)
22. C.I.F. VALUE OF IMPORTS		
Finished Goods/Semi Finished Goods	1,68,55,212	81,59,965
Raw Materials (Wire/ Wire rods)	28,14,138	1,67,43,271
Consumable stores and spare parts	1,74,68,510	1,78,27,835
Capital Goods	39,62,189	1,25,21,613
23. EARNINGS IN FOREIGN CURRENCY		
F.O.B. value of exports	7,34,67,117	30,40,42,653
24. EXPENDITURE IN FOREIGN CURRENCY		
Foreign Travelling	19,89,631	5,28,014
Royalty/ Technical know-how Fees	40,82,549	7,40,966
Repair to Machinery	-	99,064

25. VALUE OF IMPORTED/INDIGENOUS RAW MATERIALS AND CONSUMABLE STORES AND SPARE PARTS CONSUMED:

RAW MATERIALS CONSUMED	%	AMOUNT (₹)	%	AMOUNT (₹)
Imported	0.5%	36,74,437	6.0%	4,43,68,544
Indigenous	99.5%	78,60,10,772	94.0%	89,19,76,211
		78,96,85,209		93,63,44,755
Consumable stores and spare parts consumed				
Imported	22.7%	1,69,97,725	23.0%	1,36,61,308
Indigenous	77.3%	5,77,47,617	77.0%	4,88,63,053
		7,47,45,342		6,25,24,361

26. The Company had made a provision of Rs. 18,06,164/- towards income tax liability for the financial year 2014-15 and recognised MAT credit entitlement towards the same. However, due to non payment of statutory dues before due date of filing of income tax return for the assessment year 2015-16 and resulting disallowances under section 40(ia) of the Income Tax Act, 1963, the Company has made an estimated provision of Rs. 2,50,00,000/- towards income tax liability on the said account.

27. The Company, has changed its accounting policy of depreciation from written down value method to straight line method with respect to Dies and Tools in Plant-I & IV in the current financial year thereby writing back excess depreciation charged in earlier years amounting to Rs. 13,08,55,707/- and adjusting the same under the head "Other Income" in Note no.22 .
28. The Company has adopted component accounting as required under schedule II of Companies Act, 2013 and AS 10 (Rev.), from 1st April, 2015. The Company has identified and determined cost of each component/part of the assets separately. if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining assets. However, no such component has been identified which is significant to the respective asset and has a useful life different from that of the remaining asset.
29. The Company, has changed the price list used for valuation of cost of the finished goods and work-in-progress considering the selling prices of finished goods mentioned in the revised price list as on 01.01.2015. The above change in price list has resulted in increase in closing value of work-in-progress by Rs. 1,61,05,076/- and of finished goods by Rs. 79,58,996/-, with total increase in cost of inventory by Rs. 2,40,64,072/-.
30. The Company, has changed the accounting policy with regard to research and development expenses incurred during the year which have been amortized @ 20% per annum keeping in view future economic benefits to be generated in 5 financial years, including the financial year in which expenditure is incurred.
31. The Company has taken various residential/commercial premises under cancellable operating leases. These lease agreements are normally renewed on expiry. There are no restrictions placed upon the Company by entering into these leases and there are no subleases. Lease payments recognized in the statement of profit and loss as an expense for the year is Rs. 66,66,733/- (previous year Rs. 70,54,373/-).
32. The Company has also taken few commercial premises under non-cancellable operating leases. There are no restrictions placed upon the Company by entering into these leases and there are no subleases. Normally there are renewal and escalation clauses in these contracts. The total of future minimum lease payments in respect of such leases are as follows:

DESCRIPTION	2016-17 (₹)	2015-16 (₹)
(i) not later than one year	1,37,54,171	1,42,82,833
(ii) later than one year and not later than five years	1,37,40,652	1,57,40,552
(iii) later than five year	-	-
	2,74,94,823	3,00,23,385
Lease payments recognised in the statement of profit and loss is as under:		
Research and development expenses	1,29,32,831	1,29,79,478
Other expenses	18,00,000	18,00,000

NOTE - 35

DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)

"During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:"

PARTICULARS	SBNs	OTHER DENOMINATION	TOTAL
Cash in Hand on 8th November 2016	69,76,500	9,12,496	78,88,996
Permitted receipt	4,70,000	14,01,265	18,71,265
Permitted payment		16,65,033	16,65,033
Amount deposited in bank	74,46,500	-	74,46,500
Closing balance as at December 30, 2016	-	6,48,728	6,48,728

NOTE - 36

The figures for the previous year has been regrouped/reclassified wherever necessary to make them comparable with those of the current year.

NOTE - 37

Figures have been rounded off to the nearest rupees upto two decimal places.

NOTE - 38

Note No. 1 to 38 form an integral part of the balance sheet and statement of profit and loss.

NOTE - 39

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached
For B. M. Chatrath & Co. LLP
Chartered Accountants
(LLPIN: AAJ0682)

For and on behalf of the Board of Directors of Lakshmi Precision Screws Limited

PLACE:
AUDITOR: NEW DELHI
BOARD: ROHTAK
DATED: 20TH JUNE, 2017

SD/-
BHARAT C. SWAIN
Partner
Membership No.501999

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

SD/-
DINESH KUMAR JAIN
Vice Chairman and
Managing Director
DIN: 00066363

SD/-
KANAI LAL GHORUI
Chief Financial
Officer

SD/-
SANTOSH SHARMA
Company Secretary



CONSOLIDATED
FINANCIAL STATEMENT



To,
The Members of
M/s. Lakshmi Precision Screws Limited
46/1, Mile Stone, Hisar Road, Rohtak-124001

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of Lakshmi Precision Screws Limited (hereinafter referred to as “the Holding Company”), its subsidiary Company (the Holding Company and its subsidiary together referred to as “the Group”) and its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as ‘the consolidated financial statements’).

MANAGEMENT’S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company’s Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 (“the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group and its associates and jointly controlled entities in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Companies included in the Group and its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group

and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company’s preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding

Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and matters referred to in paragraph (A), (B) and (C) of the Other Matters below, are sufficient and appropriate to provide a *basis for our qualified audit opinion on the consolidated financial statements*.

BASIS FOR QUALIFIED OPINION

1. 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 in case of the Holding Company. 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.
2. The Holding 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.
3. 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.
4. Balance 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.

5. 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.
6. 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 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.
7. 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.
8. 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.

The Holding Company has also taken advances of Rs. 7,14,00,000/- prior to 01.04.2014. The same has now been considered as acceptance of deposits which is in violation of Section 76 of Companies Act, 2013 read together with Companies (Acceptance of Deposits) Rules, 2014. The outstanding balance of deposits in violation of Section 76 of the Companies Act, 2013 as on 31.03.2017 amounts to Rs. 4,80,55,000/-. This matter is under litigation in Punjab & Haryana High Court.

9. The Holding Company has taken unsecured loans from Companies amounting to Rs.1,00,00,000/- 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.
10. 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.
11. The figures of the Subsidiary Company, Associate Companies and Joint Ventures 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.

QUALIFIED OPINION

In our opinion and to the best of our information and according to the explanations given to us, “except for the possible effects of the matters described in the Basis for Qualified Opinion paragraphs” above the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March, 2017, their consolidated losses, and their consolidated cash flows for the year ended on that date.

EMPHASIS OF MATTER

1. Attention is invited to note no. 34(27) of the financial statements, wherein the Holding Company, has changed its accounting policy of depreciation from written down value method to straight line method with respect to Dies and Tools in Plant-I & IV in the current financial year thereby writing back excess depreciation charged in earlier years amounting to Rs. 13,08,55,707/- and adjusting the same under the head “Other expenses” (note no. 29).
2. Attention is invited to note no. 34(29) of the financial statements, wherein the Holding Company, has changed the price list used for valuation of cost of the finished goods and work-in-progress considering the selling prices of finished goods mentioned in the revised price list as on 01.01.2015. The above change in price list has resulted in increase in closing value of work-in-progress by Rs. 1,61,05,076/- and of finished goods by Rs. 79,58,996/-, with total increase in cost of inventory by Rs. 2,40,64,072/-.
3. Attention is invited to note no. 34(30) of the financial statements, wherein the Holding Company, has changed the accounting policy with regard to research and development expenses incurred during the year which have been amortized @ 20% per annum keeping in view future economic benefits to be generated in 5 financial years, including the financial year in which expenditure is incurred.

Our opinion is not modified in respect of above matters.

OTHER MATTERS

(A) We did not audit the financial statements / financial information of Indian Fasteners Limited, subsidiary, whose financial statements / financial information reflect total assets of Rs. 1,99,76,973/- as at March 31, 2017, total revenues of Rs. 16,49,482/- and net cash flows of (Rs. 26,423/-) for the year ended on that date, as 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

the subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on unaudited financial statements/ financial information.

(B) 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) 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.

(C) 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 both the jointly controlled entities 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 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

(b) Except for the effects of the matter described in the “Basis for Qualified Opinion paragraph” above, in our opinion, proper books of account as required by law have been kept by the Holding Company so far as it appears from our examination of those books;

(c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) Subject to the possible effects of the matter described in the “Basis for Qualified Opinion paragraph” above, in our opinion, the Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) The matters described in clauses 1, 2, 8 and 9 in the “Basis for Qualified Opinion paragraph” above, in our opinion may have an adverse effect on the functioning of the Holding Company.

(f) On the basis of written representations received from the directors of the Group Companies and its associates and jointly controlled entities as on March 31, 2017 and taken on record by the Board of Directors of the Group Companies and its associates and jointly controlled entities, none of the directors of the Group Companies, its associates and jointly controlled entities is disqualified as on 31st March, 2017 from being appointed as a director in terms of section 164 (2) of the Act.

(g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the “Basis for Qualified Opinion paragraph” above;

(h) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**” to this report. In respect of subsidiary companies, associates and jointly controlled entities, we are unable to report on the adequacy of the internal financial controls over financial reporting of the said Companies as the financial statements of these companies are unaudited and report on audit of internal financial controls over financial reporting is not available.

(i) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, we report that:

(1) The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Holding Company. However, in respect of subsidiary company, associates and jointly controlled entities, the same has not been disclosed as the financial statements of these Companies are unaudited.

(2) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long- term contracts including derivative contracts. However, in respect of subsidiary company, associates and jointly controlled entities, we cannot comment upon this clause, since the financial statements are unaudited.

(3) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company. However, in respect of subsidiary company, associates and jointly controlled entities, we cannot comment upon this clause, since the financial statements are unaudited.

(4) The Holding Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 32 to the standalone financial statements. However, in respect of subsidiary company, associates and jointly controlled entities, we cannot comment upon this clause, since the financial statements are unaudited.

PLACE:
AUDITOR: NEW DELHI
BOARD: ROHTAK
DATED: 20TH JUNE, 2017

FOR B.M. CHATRATH & CO LLP,
Chartered Accountants
Firm Registration No. 301011E

SD/-
BHARAT C. SWAIN
Partner
Membership No. 501999

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

We have audited the internal financial controls over financial reporting of Holding company Lakshmi Precision Screws Limited (“the Company”) as of 31st March 2017 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date. In respect of subsidiary companies, associates and jointly controlled entities, we are unable to report on the adequacy of internal financial controls over financial reporting of the said companies as the financial statements of these companies are unaudited and report on audit of internal financial controls over financial reporting is not available.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective board of directors of the Holding company, its subsidiary companies, its associates and jointly controlled companies, which are incorporated in India, are responsible for establishing and maintaining internal financial control based on the internal control over financial; reporting criteria established by the company considering the essential components of internal control stated in the guidance note on audit of internal financial control over financial reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate financial control that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company’s policies, the safeguarding of fixed assets, prevention and detection of fraud and errors, the accuracy and completeness of accounting records, and the timely preparation on reliable financial information, as required under the Companies Act, 2013

AUDITORS’ RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company’s internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

QUALIFIED OPINION

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2017:

- a) The procedures of physical verification of inventory of Finished Goods, Semi-Finished Goods, Stock in Trade (Traded goods) and Consumables Stores followed by the management are not reasonable and adequate in relation to the size of the Holding Company and the nature of its business.
- b) The Holding Company did not have an appropriate internal control system over Debtors and Creditors confirmation and reconciliation of balances with the parties. These could potentially result in material misstatements in the Holding Company's trade payables and trade receivables balances.
- c) The Management does not review the provision for doubtful trade receivables methodology, assumptions and underlying calculation for appropriateness on a periodic basis, therefore these could result in risk of material misstated net receivables and bad debts expenses.
- d) The Holding Company's financial control over repayment of long term borrowings and short term borrowings is highly ineffective with regard to repayment of principal and interest. The Holding Company has defaulted in repayment of loan taken from Banks, Financial Institutions and others on many occasions and further there is general lack of financial planning and management on part of the Holding Company.
- e) The Holding Company does not have adequate system of segregation of duties to effectively monitor and operate the control of depositing undisputed statutory dues including Provident Fund, Income Tax, TDS, Sales-Tax, Wealth tax, VAT, duty of customs, Service tax, Cess and other material undisputed statutory dues with the appropriate authorities. This could potentially result in levy of interest and other penal provisions of statutes and have a significant impact on functioning of the Holding Company.

- f) There is a material weakness with regard to control over advances given to suppliers for goods and services. The controls with regard to subsequent settlement of advances are ineffective and as a result many parties to whom advances have been given are very old and remain unsettled. Further there is no control system over confirmation and reconciliation of balance with parties. These could potentially result in write off of advances and have an impact on financial statements of the Holding Company.
- g) The Holding Company did not have an adequate internal control system for physical verification of dies and tools capitalized as fixed assets, further the internal control system needs updation with regard to item-wise identification and situation of fixed assets. This may have material impact on stated value of fixed assets and depreciation.
- h) The Holding Company has inadequate design of information technology (IT) general and application controls that prevent the information system from providing complete and accurate information consistent with financial reporting objectives and current needs.
- i) There are significant deficiencies in Controls over the selection and application of accounting principles that are in conformity with generally accepted accounting principles. There is Ineffective internal control over legal compliance by the Holding Company.
- j) The Holding Company did not have an appropriate internal financial control system over financial reporting since the internal controls adopted by the Holding Company did not adequately consider risk assessment, which is one of the essential components of internal control, with regard to the potential for fraud when performing risk assessment.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Holding Company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, because of the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Holding Company has not maintained adequate and effective internal financial controls over financial reporting as of March 31, 2017, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India"

We have considered the material weaknesses, identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2017 consolidated financial statements of the Holding Company, and these material weaknesses have affected our opinion on the consolidated financial statements of the Holding Company and we have issued a qualified opinion on the consolidated financial statements.

PLACE:
AUDITOR: NEW DELHI
BOARD: ROHTAK
DATED: 20TH JUNE, 2017

FOR B.M. CHATRATH & CO LLP,
Chartered Accountants
Firm Registration No. 301011E
SD/-
BHARAT C. SWAIN
Partner
Membership No. 501999

ANNEXURE TO BOARD REPORT

IMPACT OF AUDITOR'S QUALIFICATION

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]

SR. NO.	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 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.

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

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 FY. 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 FY 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 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

(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)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.

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 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 FY. 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.

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.

The Holding Company has also taken advances of Rs. 7,14,00,000/- prior to 01.04.2014 in violation of Section 76 of Companies Act, 2013 read together with Companies (Acceptance of Deposits) Rules, 2014. The outstanding balance of deposits in violation of Section 76 of the Companies Act,2013 as on 31.03.2017 amounts to Rs. 4,80,55,000/- . This matter is under litigation in Punjab & Haryana High Court.

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 Holding Company has taken unsecured loans from Companies amounting to Rs.1,00,00,000/- 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.

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 FY.2011-12 except for FY. 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 impact, 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 FY 2011-12 except for FY. 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 :

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.

BALANCE SHEET

PARTICULARS	NOTE NO.	AS AT 31.03.2017 (₹)	AS AT 18.04.2016 (₹)	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)
		CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
A. EQUITY AND LIABILITIES					
a) Shareholder's funds					
Share Capital	2	10,94,16,670	-	10,94,16,670	11,12,64,160
Less: Investment in joint ventures				-	18,47,490
		10,94,16,670	-	10,94,16,670	10,94,16,670
Reserves and Surplus	3	14,87,50,531	-	14,87,50,531	54,90,05,792
		25,81,67,201	-	25,81,67,201	65,84,22,462
b) Minority Interest	33(v)(d)	51,88,492	-	51,88,492	51,00,991
c) Non Current Liabilities					
Long Term Borrowings	4	62,41,51,491	-	62,41,51,491	77,63,17,203
Deferred Tax Liabilities (Net)	5A	5,39,914	-	5,39,914	7,14,946
Other Long Term Liabilities	6	1,18,89,193	-	1,18,89,193	1,19,05,064
Long Term Provisions	7	34,74,53,124	-	34,74,53,124	30,71,17,734
		98,40,33,722	-	98,40,33,722	1,09,60,54,947
d) Current Liabilities					
Short Term Borrowings	8	1,57,07,05,468	-	1,57,07,05,468	1,47,31,96,425
Trade Payables	9	54,50,97,365	-	54,50,97,365	72,49,98,153
Other Current Liabilities	10	1,22,92,22,183	-	1,22,92,22,183	87,40,56,119
Short Term Provisions	11	3,04,97,613	-	3,04,97,613	5,16,41,954
		3,37,55,22,629	-	3,37,55,22,629	3,12,38,92,651
TOTAL		4,62,29,12,044	-	4,62,29,12,044	4,88,34,71,050
B. ASSETS					
Non Current Assets					
Fixed Assets:					
Tangible Assets	12	1,44,17,94,909	-	1,44,17,94,909	1,50,26,76,699
Intangible Assets		28,66,392	-	28,66,392	19,97,835
Capital Work in Progress		24,25,45,281	-	24,25,45,281	17,96,09,146
		1,68,72,06,582	-	1,68,72,06,582	1,68,42,83,680
Non Current Investments	13	3,11,97,306	-	3,11,97,306	2,32,93,073
Less:- Investment in joint venture companies				-	(18,47,490)
		3,11,97,306	-	3,11,97,306	2,14,45,583
Deferred Tax Assets (Net)	5B	-	-	-	-
Long Term Loans and advances	14	5,96,07,302	-	5,96,07,302	5,87,50,088
Other Non-current assets	15	-	-	-	7,96,800
		1,77,80,11,190	-	1,77,80,11,190	1,76,52,76,151
B. CURRENT ASSETS					
Inventories	16	1,96,40,31,169	-	1,96,40,31,169	2,00,58,01,058
Trade Receivables	17	55,19,97,068	-	55,19,97,068	74,29,77,729
Cash and Bank Balances	18	5,24,77,342	-	5,24,77,342	10,74,31,552
Short Term Loans and Advances	19	20,91,94,218	-	20,91,94,218	21,69,74,474
Other Current Assets	20	6,72,01,057	-	6,72,01,057	4,50,10,086
		2,84,49,00,854	-	2,84,49,00,854	3,11,81,94,899
TOTAL		4,62,29,12,044	-	4,62,29,12,044	4,88,34,71,050
C. SIGNIFICANT ACCOUNTING POLICIES					
Contingent Liabilities and Commitments	32				
Other notes on account	33				

The accompanying notes are an integral part of the financial statements.

	As per our report of even date attached	For and on behalf of the Board of Directors of Lakshmi Precision Screws Limited			
	FOR B.M. CHATRATH & CO LLP, Chartered Accountants Firm Registration No. 301011E	SD/- LALIT KUMAR JAIN Chairman and Managing Director DIN: 00061293	SD/- DINESH KUMAR JAIN Vice Chairman and Managing Director DIN: 00066363	SD/- KANAI LAL GHORUI Chief Financial Officer	SD/- SANTOSH SHARMA Company Secretary
PLACE:					
AUDITOR: NEW DELHI	SD/- BHARAT C. SWAIN Partner				
BOARD: ROHTAK					
DATED: 20TH JUNE, 2017	Membership No. 501999				

STATEMENT OF PROFIT & LOSS

PARTICULARS	NOTE NO.	YEAR ENDED	YEAR ENDED	YEAR ENDED	YEAR ENDED
		31.03.2017 (₹)	18.04.2016 (₹)	31.03.2017 (₹)	31.03.2016 (₹)
		CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
A. INCOME					
Revenue from operations	21	2586920493	-	2586920492	3745983485
Other Income	22	154343202	-	154343201	41796398
TOTAL REVENUE		2741263695	-	2741263694	3787779883
B. EXPENDITURE					
Cost of materials consumed	23	830733826	-	830733826	936344755
Purchases of Stock-in-Trade	24	305297940	-	305297940	732673684
Purchase of Semi-Finished Goods	25	57265789	-	57265789	118026135
Changes in inventories of Finished Goods, Work In Progress and Stock- in-Trade	26	(6728021)	-	(6728021)	24715396
Employee benefits expense	27	736716357	-	736716357	768747590
Finance costs	28	405614367	-	405614367	386668633
Depreciation and amortisation expenses"	12	172212725	-	172212726	159108542
Other expenses	29	624053676	0	624053676	928612125
TOTAL EXPENSES		3125166659	0	3125166660	4054896859
Net Profit / (Loss) before Tax and prior period item		(383902964)	0	(383902965)	(267116975)
Add: Prior period items	30	(25411133)	-	(25411133)	(5544579)
Net Profit / (Loss) before Tax and Exceptional Itmes		(409314097)	0	(409314098)	(272661554)
Add: Exceptional Items	31	-	-	-	245955258
Less:- Transferred from Reserve and Surplus					(261723475)
Net Profit / (Loss) before Tax		(409314097)	0	(409314098)	(288429771)
Tax Expense:					
Current Tax		294673	-	294673	43373728
Excess provision of Income Tax written back		0	-	0	0
Deferred Tax		(175032)	-	(175032)	(3661356)
		119641	0	119641	39712372
Net Profit / (Loss) for the year before transfer of share to monotity interest / share in net profit/loss of associates		(409433738)	0	(409433739)	(328142143)
Share in net profit / (loss) of Associates		9751719	-	9751719	4792519
C. NET PROFIT / (LOSS) FOR THE YEAR		(399682019)	0	(399682020)	(323349624)
Profit/(loss) attributable to owners of the company		(399769520)	0	(399769521)	(323038933)
Minority interest		87501	0.00	87501	(310691)
D. BASIC AND DILUTED				(36.54)	(29.52)
Significant Accounting Policies,	1				
Contingent Liabilities and Commitments	32				
Other notes on account	33				

As per our report of even date attached

For and on behalf of the Board of Directors of Lakshmi Precision Screws Limited

FOR B.M. CHATRATH & CO LLP,
Chartered Accountants
Firm Regsitratio No. 301011E

PLACE:
AUDITOR: NEW DELHI
BOARD: ROHTAK
DATED: 20TH JUNE, 2017

SD/-
BHARAT C. SWAIN
Partner
Membership No. 501999

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

SD/-
DINESH KUMAR JAIN
Vice Chairman and
Managing Director
DIN: 00066363

SD/-
KANAI LAL GHORUI
Chief Financial
Officer

SD/-
SANTOSH SHARMA
Company Secretary

CASH FLOW STATEMENT

PARTICULARS	YEAR ENDED 31.03.2017 (₹)	YEAR ENDED 31.03.2016 (₹)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	(40,93,14,097)	(28,84,29,768)
Adjustments to reconcile profit before tax to net cash flows		
Wealth Tax	-	-
Exceptional Items	-	(37,82,79,810)
Disposal of investment in Joint Venture		(2,35,20,190)
Depreciation and amortisation expense	4,13,57,019	15,91,08,542
(Profit)/Loss on sale of fixed assets	(1,28,07,889)	(41,450)
Provision for bad and doubtful debts	4,07,740	1,33,16,529
Interest Income	(60,25,912)	(1,71,89,380)
Dividend Income	-	(47,04,038)
Interest Expense	36,84,85,002	33,09,91,608
Provision for doubtful debts written back		(2,35,219)
Deferred expenditure (technical know how)	7,96,800	7,40,966
Operating Profit before working capital changes	(1,71,01,337)	(20,82,42,210)
Movement in working capital		
Adjustment on account of audited figures of LPSBPL and LPSISPL		2,57,896
(Increase)/Decrease in trade receivables	19,09,80,662	20,00,08,013
-288429768.369	35,35,817	(85,77,208)
(Increase)/Decrease in other assets	(3,31,57,630)	1,84,23,022
(Increase)/Decrease in inventories	4,17,69,889	82,72,14,530
Increase/(Decrease) in trade payables	(17,99,00,788)	(16,05,77,433)
Increase/(Decrease) in other liabilities and provisions	29,58,73,991	9,94,78,599
Cash generated from/(used) in operations	30,20,00,605	76,79,85,211
Direct taxes paid (net of refunds)	(1,75,032)	47,46,701
Net Cash flow from/(used) in Operating Activities (A)	30,18,25,573	76,32,38,510
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets including capital work in progress	(7,69,09,572)	(70,22,92,778)
Capital advances	33,87,225	2,58,93,912
Creditors for capital goods	(78,04,731)	(9,61,65,686)
Proceeds from sale of fixed assets	5,62,77,343	4,58,000
Proceeds from sale of investments	18,47,490	40,18,00,000
Dividend received	-	47,04,038
Interest income received	1,71,23,866	98,54,414
Fixed Deposits matured/(made) during the year	3,17,29,876	6,62,22,289
Net Cash flow from/(used) in Investing Activities (B)	2,56,51,497	(28,95,25,811)
C. CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment of)/Proceeds from long term borrowings	(26,77,27,205)	(9,79,95,830)
Repayment of short term borrowings	9,70,09,043	(11,14,79,815)
(Repayment of)/Proceeds from Directors and others	10,27,14,825	2,91,00,034
Dividend paid	(2,42,523)	4,14,347
Interest paid	(28,22,13,020)	(27,95,97,431)
Net Cash flow from/(used) in Financing Activities (C)	(35,04,58,880)	(45,95,58,695)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(2,29,81,811)	1,41,54,004
Cash and cash equivalents at the beginning of the year	2,55,34,021	1,13,80,017
Cash and cash equivalents at the end of the year	25,52,210	2,55,34,021

Notes:

1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3, "Cash Flow Statements".

2) Components of cash and cash equivalents:

PARTICULARS	AS AT MARCH 31, 2017 (₹)	AS AT MARCH 31, 2016 (₹)
a) Cash and cash equivalents		
Cash on hand	3,96,706	82,93,788
Balances with banks in current account	21,55,504	1,72,40,233
	25,52,210	2,55,34,021
b) Other bank balances		
Fixed Deposits		
Pledged as margin money against bank guarantees	13,57,635	12,34,766
Pledged as margin money against letter of credits	4,20,67,583	6,24,96,197
Lien against public deposits	50,00,000	86,80,793
No lien account	-	77,43,338
Unpaid Dividend Accounts*	14,99,913	17,42,437
	4,99,25,131	8,18,97,531

* Unpaid Dividend can be utilised only for payment of unpaid dividend liability.
The accompanying notes form an integral part of the standalone financial statements.

PLACE:
AUDITOR: NEW DELHI
BOARD: ROHTAK
DATED: 20TH JUNE, 2017

As per our report of even date attached
For B. M. Chatrath & Co.
Chartered Accountants
Firm Registration No. 301011E
Bharat C. Swain, Partner
Membership No. 501999

For and on behalf of the Board of Directors of Lakshmi Precision Screws Limited

SD/- LALIT KUMAR JAIN Chairman and Managing Director DIN: 00061293	SD/- DINESH KUMAR JAIN Vice Chairman and Managing Director DIN: 00066363	SD/- KANAI LAL GHORUI Chief Financial Officer	SD/- SANTOSH SHARMA Company Secretary
--	--	--	---

1 SIGNIFICANT ACCOUNTING POLICIES

1.01 Basis of preparation

The consolidated financial statements of Lakshmi Precision Screws Limited (the Company), its subsidiary company and jointly controlled entities ("the Group") have been prepared and presented in accordance with Indian Generally Accepted Accounting Principles (Indian GAAP) to comply with all material respects with the Accounting Standards specified under section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The financial statements have been prepared on an accrual basis and under the historical cost convention and as a going concern. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year except for the change in accounting policy explained below.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current/ non-current classification of assets and liabilities.

1.02 Change in Accounting Policies

The Holding Company has changed its system of accounting in respect of amortisation of dies and tools as of 1st January, 2016, inventories of dies and tools have been capitalized under fixed assets and depreciated prospectively as per rate and method prescribed under Schedule II of the Companies Act, 2013. In the earlier years, the same were amortised on the basis of their effective residual life based on technical assessment. The Holding Company has changed its policy due to better and more appropriate presentation in Accounts. In earlier years, the Holding Company was unable to obtain technical assessment in respect of consumption of dies and tools as per the accounting policy of the Company resulting in charge of consumption of dies and tools to Statement of Profit and Loss on a non scientific basis. The Holding Company has therefore capitalised dies and tools and depreciated them on the basis of their useful life as per Schedule II of Companies Act, 2013.

1.03 Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India requires the management to make judgments, estimates and assumptions that affect the reported amounts of Assets, Liabilities and the disclosure of Contingent Liabilities on the date of the Financial Statements and the reported amount of revenue and expenses during the reported period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in notes to accounts.

1.04 Principles of Consolidation

The consolidated financial statement relates to Lakshmi Precision Screws Limited ('the Company'), its subsidiary Company, its Associates and Joint Venture collectively referred to as 'the Group'. The consolidated financial statements have been prepared on the following basis :

- a) The financial statements of the parent and its subsidiary have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, revenues and expenses and after eliminating intra-Group balances/ transactions and resulting profits in full. Unrealised profit / losses resulting from intra-Group transactions has also been eliminated except to the extent that recoverable value of related assets is lower than their cost to the Group.
- b) In accordance with Accounting Standard- 27, "Financial Reporting of interest in joint venture" notified under section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 the financial statements of the joint ventures are consolidated using proportionate consolidation method by adding book values of like items of assets, liabilities, revenues and expenses of jointly controlled entity after eliminating intra-group balances/ transactions and unrealised profits to the extent of the Group's proportionate share.
- c) Investment in Associate Companies have been accounted under the equity method as per Accounting Standard (AS) 23-, "Accounting for Investment in Associates in Consolidated Financial Statements" notified under section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014.

- d) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements. Differences in accounting policies have been disclosed separately.
- e) Minority's share in net profit of consolidated subsidiary for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Company.
- f) Minority interest's share in net assets of 'the Group' is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.

1.05 Inventories

- a) Inventories other than scrap materials are carried at lower of cost and net realizable value after providing cost of obsolescence, if any. Cost has been ascertained in case of semi-finished goods at 66% less on the price-list and finished goods have been valued at 57% less on the price-list 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 selling price, based on overall cost data and gross margins; since exact cost is not ascertainable. Excise duty payable on finished goods and scrap materials are shown separately as part of manufacturing cost and is included in the valuation of finished goods and scrap materials. Inventories are consumed on FIFO (First in First out) basis.
- b) Scrap material has been valued at net realisable value.
- c) Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.
- d) In case of subsidiary company and joint venture company inventories are valued at lower of cost and net realisable value. Cost includes freight and other related incidental expenses and is arrived at weighted average basis using specific identification method. Provision for slow moving inventory is determined by the management which is based on ageing of inventory.

1.06 Tangible fixed assets

- a) Tangible assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of CENVAT credit, VAT credit availed and subsidy directly attributable to the cost of fixed

asset, wherever applicable. Interest and other borrowing costs during construction period to finance qualifying fixed assets is capitalised, if capitalisation criteria are met.

- b) The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. Similarly, when significant parts of plant and equipment are required to be replaced at intervals or when a major inspection/ overhauling is required to be performed, such cost of replacement or inspection is capitalised (if the recognition criteria is satisfied) in the carrying amount of plant and equipment as a replacement cost or cost of major inspection/ overhauling, as the case may be and depreciated separately based on their specific useful life.
- c) Subsequent expenditure related to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts are charged to the statement of profit and loss for the period during which such expenses are incurred.
- d) Capital work-in- progress comprises cost of fixed assets that are not yet ready for their intended use at the balance sheet date and are carried at cost comprising direct cost, related incidental expenses, other directly attributable costs and borrowings costs.
- e) Preoperative expenditure and trial run expenditure accumulated as capital work- in- progress is allocated on the basis of prime cost of fixed assets in the year of commencement of commercial production.
- f) Gains or losses arising from disposal of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed off.

1.07 Intangible assets

- a) **ACQUIRED INTANGIBLE ASSETS**
Intangible assets including software licenses of enduring nature and contractual rights acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.
- b) **RESEARCH AND DEVELOPMENT COST**

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Group can demonstrate all the following:

- i) The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- ii) Its intention to complete the asset;
- iii) Its ability to use or sale the asset;
- iv) How the asset will generate future economic benefits;
- v) The availability of adequate resources to complete the development and to use or sale the asset; and
- vi) The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition if the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on straight line basis over the estimated useful life.

- c) Gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is disposed off.

1.08 Depreciation and amortization

- a) DEPRECIATION OF TANGIBLE ASSETS:
Depreciation on fixed assets is provided on prorata basis on written down value method except in case of Plant II, Manesar and Recoil Division where depreciation has been provided on straight line method using the useful lives of assets and in the manner prescribed in Schedule II of The Companies Act, 2013.
- b) AMORTISATION OF INTANGIBLE ASSETS: Intangible assets are amortised on a straight line basis over their estimated useful life of six years.
- c) Depreciation on fixed assets in case of joint ventures charged on SLM basis at the following rates:

SL. NO.	PARTICULARS	DEPRECIATION AS PER SLM BASIS IN LPS BOSSARD PRIVATE LIMITED	DEPRECIATION AS PER SLM BASIS IN LPS BOSSARD INFORMATION SYSTEMS PRIVATE LIMITED
1.	Computer Hardware	20%	20%
2.	Computer Software	33%	33%
3.	Office Equipments	5%	5%
4.	Warehousing Racks	5%	-
5.	Furniture and Fixtures	10%	-
6.	Vehicles	9.50%	-
7.	Vehicles (Commercial)	11.31%	-
8.	Leasehold Improvements	(over the period of lease or estimated useful life, if shorter)	-

1.09 Prior Period Items/ Extraordinary Items

Prior Period expenses/incomes, are shown as prior period items in the statement of profit and loss account as per the provision of Accounting Standard-5 "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies" notified under section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014. Items of income or expenses that arise from events or transactions that are distinct from ordinary activities of the enterprise and are not expected to recur frequently or regularly are treated as extraordinary items.

1.10 Exceptional Items

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Group's financial performance. Items which may be considered exceptional are significant gains or losses on disposal of investments of joint venture, write down of inventories and loss due to strike.

1.11 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

a) **SALE OF GOODS:**

Revenue from sale of Goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer and no significant uncertainty exists regarding the amount of consideration that will be derived from the sale of goods. Sales are recorded net of returns and trade discount. The Group collects sales taxes and value added taxes (VAT) on behalf of the Government and, therefore, these are not economics benefits flowing to the Group and therefore are excluded from revenue. Excise Duty is deducted from revenue (gross) to arrive at revenue from operations (net). Sales do not include inter-divisional transfers. Export sales are recognised at the time of clearance of goods and approval from Excise Authorities.

b) **SERVICES:**

Revenue from service related activities is recognised using the proportionate completion method.

c) **EXPORT INCENTIVES:**

Export incentives under various schemes notified by the Government have been recognised on the basis of their entitlement rates in accordance with the Foreign Trade Policy 2015-20 (FTP 2015-20). Benefits in respect of advance licenses are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and incentive will be received.

d) **RENTAL INCOME:**

Rental income is recognised on a time proportionate basis.

e) **INTEREST INCOME:**

Interest income is recognized on time proportionate basis taking into account the amount outstanding and the applicable rate of interest.

f) **DIVIDEND INCOME:**

Dividend income is accounted for when the right to receive the payment is established.

g) **CLAIMS:**

Claims are recognised when there exists reasonable certainty with regard to the amounts to be realised and the ultimate collection thereof.

h) **PROFIT ON SALE OF INVESTMENTS:**

Profit on sale of investments is recorded on transfer of title from the Group and is determined as the difference between the sale price and carrying value of the investment.

1.12 Foreign Currency Transactions

a) **INITIAL RECOGNITION:**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b) **MEASUREMENT OF FOREIGN CURRENCY ITEMS AT THE BALANCE SHEET DATE:**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

c) **EXCHANGE DIFFERENCES:**

Exchange differences arising on conversion/ settlement of foreign currency monetary items and on foreign currency liabilities relating to fixed assets acquisition are recognised as income or expense in the year in which they arise. In case of exchange variation arising on reporting of long term foreign currency monetary item at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, in so far as they relate to the acquisition of a depreciable capital assets, are added to or deducted from the cost of assets and are depreciated over the balance life of the asset, and in other cases accumulated in a foreign Currency Monetary Item Translation Difference Account; and amortized over the balance period of such long term asset/liability by recognition as income or expense in each of such period.

d) **BANK GUARANTEE AND LETTER OF CREDIT:**

Bank Guarantee and Letter of Credits are recognized at the point of negotiation with Banks and converted at the rates prevailing on the date of Negotiation, However, Outstanding at the period end are recognized at the rate prevailing as on that date and total sum is considered as contingent liability.

1.13 Government Grants and Subsidies

Grants and Subsidies from the Government are recognised when there is reasonable assurance that:

- i) the Company will comply with the conditions attached to them; and
- ii) the grant/subsidy will be received.

Grants related to revenue are deducted in reporting the related expense.

1.14 Investments

Investments are classified into current and long-term investments. Investments that are readily realizable and intended to be held for not more than one year from the date of acquisition are classified as current investments. All other investments are long-term investments and classified as Non Current Investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are stated in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. A provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management. Reversal of such provision for diminution is made when there is a rise in the value of long term investments, or if the reasons for the decline no longer exist. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

1.15 Retirement Benefits

a) GRATUITY

The Employee's Gratuity Fund Scheme, which is defined benefit plan, is managed by trust maintained with Life Insurance Corporation of India (LIC). The liabilities with respect to Gratuity Plan are determined by actuarial valuation on projected unit credit method on the balance sheet date, based upon which the Holding Company contributes to the Group Gratuity Scheme. The difference, if any, between the actuarial valuation of the gratuity of employees at the year end and the balance of funds with Life Insurance Corporation of India is provided for as assets/ (liability) in the books. Actuarial gains/ (losses) for defined plans are recognised in full and are immediately taken to the statement of profit and loss and are not deferred.

b) PROVIDENT FUND

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to provident fund are made in accordance with the relevant scheme and are charged to the statement of profit and loss for the year when contribution are due. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related services.

c) COMPENSATED ABSENCES

Accrual for leave encashment benefit is based on actuarial valuation as on the balance sheet date in pursuance of the leave rules in case of the Holding Company.

1.16 Borrowing Costs

Borrowing cost includes interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur.

1.17 Leases

OPERATING LEASES

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

FINANCE LEASES

Lease under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower.

1.18 Segment Reporting

BUSINESS SEGMENTS

Based on similarity of activities, risks and reward structure, organisation structure and internal reporting systems, the Group has structured its operation into manufacturing and trading of "Fasteners".

SECONDARY SEGMENT: GEOGRAPHICAL SEGMENT

Secondary segmental reporting is performed on the geographical locations of customers i.e. within India and Overseas.

1.19 Earning per share

Basic earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earning per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

1.20 Taxes on Income

Tax expense for the year comprises of direct taxes and indirect taxes:

DIRECT TAXES

- a) Current income-tax is measured at the amount expected to be paid to taxation authorities in accordance with the Income-tax Act, 1961 enacted in India by using the tax rates and tax laws that are enacted at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.
- b) Deferred income tax reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations, where the Group has unabsorbed depreciation or carry forward tax losses under tax laws, all deferred tax assets are recognized only to the extent that there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Deferred tax assets and deferred tax liabilities are off-set, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

- c) Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as Current Tax. The Group recognizes MAT Credit available as an asset only to the extent there is convincing evidence that the Group will pay normal income tax during specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognises MAT credit as an asset in accordance with the 'Guidance Note on Accounting for

Credit Available in respect of Minimum Alternate Tax under the Income -Tax Act, 1961', the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement" under loans and advances. The Group reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

INDIRECT TAXES

- a) Excise duty (including education cess) has been accounted for in respect of the goods cleared. The Company is providing excise duty liability in respect of finished products.
- b) Service tax has been accounted for in respect of services rendered.
- c) Final sales tax/ Value Added Tax liability is ascertained on the finalisation of assessments in accordance to provisions of sales tax/ value added tax laws of respective states where the group is having offices/ works.

1.21 Miscellaneous Expenditure

Technical know-how is amortized on a systematic basis on straight line method over its useful life based upon the respective technical know-how agreements.

1.22 Impairment of Assets

At the end of each year, the Group determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred and where the recoverable amount of any fixed asset is lower than its carrying amount, a provision for impairment loss on fixed assets is made for the difference. Recoverable amount is generally measured using discounted estimated cash flows. Post impairment, depreciation is provided on the revised carrying value of the asset over its remaining useful life.

1.23 Provisions and Contingent Liabilities

PROVISIONS

A provision is recognized when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are not discounted to their present value and are determined based on the best estimates required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

1.24 Cash and Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

NOTE - 2 SHARE CAPITAL

DESCRIPTION	AS AT 31.03.2017 (₹)	AS AT 18.04.2016 (₹)	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
a. Authorised:				
24970000 Equity Shares of Rs. 10/- each	249700000	3675000	253375000	282775000
Less : Authorised capital of joint ventures			0	33075000
9.5% Cumulative Preference Shares of Rs. 10/- each	300000	-	300000	300000
	250000000	3675000	253675000	250000000
Issued:				
10941667 Equity Shares of Rs. 10/- each	109416670	1847490	111264160	134784350
Less: Investment in joint venture Companies	-	1847490	1847490	25367680
	109416670	-	109416670	109416670
Subscribed and paid up:				
10941667 Equity Shares of Rs. 10/- each	109416670	0	109416670	134784350
Less :Investment in joint venture companies	-	0	0	25367680
	109416670	-	109416670	109416670
b. Reconciliation of the number of shares outstanding at the beginning and at the end of the year				
10941667 Equity shares of Rs. 10/- each outstanding at the beginning of the year	109416670	-	109416670	109416670
Nil Equity shares of Rs. 10/- each issued during the year	-	-	-	-
Nil Equity shares of Rs. 10/- each bought back during the year	-	-	-	-
10941667 Equity shares of Rs. 10/- each outstanding at the end of the year	109416670	-	109416670	109416670

c. Terms/ right attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2017, the amount of per share dividend recognized as distributions to equity shareholders is Rs.NIL (Previous Year Rs. NIL)

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts.

d. Details of shareholders holding more than 5% shares as at march 31, 2017 and March 31, 2016 are as follows:

NAME OF THE SHAREHOLDER	AS AT 31.03.2017		AS AT 31.03.2016	
	NUMBER	% HOLDING	NUMBER	% HOLDING
Shri Rajesh Jain	1430804	13.08	1430804	13.08
Shri Lalit Kumar Jain	1159600	10.60	1159600	10.60
Shri Vijay Kumar Jain	1132593	10.35	1132593	10.35
Shri Arun Kumar Jain	798959	7.30	798959	7.30

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

e. Aggregate number of shares issued as fully paid up pursuant to contract without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the date of Balance Sheet is prepared:

PARTICULARS	2016-2017	2015-2016
	AMOUNT (₹)	AMOUNT (₹)
Equity Shares:		
i) Fully paid up pursuant to contract(s) without payment being received in cash	NIL	NIL
ii) Fully paid up by way of bonus shares	NIL	NIL
iii) Shares bought back	NIL	NIL

NOTE - 3 RESERVES AND SURPLUS

DESCRIPTION	AS AT 31.03.2017 (₹)	AS AT 18.04.2016 (₹)	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
a. Capital Reserves				
As per last Balance Sheet	1,39,31,192	-	1,39,31,192	1,39,31,192
Add: Reserve of subsidiary company till 24.12.1990	2,39,600	-	2,39,600	2,39,600
Add: Reserve of associates till 31.03.2007	(10,55,969)	-	(10,55,969)	(10,55,969)
	1,31,14,823	-	1,31,14,823	1,31,14,823
b. Securities Premium Reserve				
As per the last Balance Sheet	31,83,36,034	-	31,83,36,034	31,83,36,034
c. General Reserve				
As per last Balance Sheet	1,74,85,800	-	1,74,85,800	2,25,54,949
Less: Adjustment related to transitional provision as per Schedule II of the companies Act,2013 (refer Note No. 31 (xii))	-	-	-	1,09,350
Less: Transferred to the Surplus as per the Statement of Profit and Loss (balance of LPSBPL transferred due to sale of stake)	-	-	-	47,35,552
	1,74,85,800	-	1,74,85,800	1,77,10,047
d. Reserve of subsidiary company after 24.12.1990				
As per last Balance Sheet	56,80,512	-	56,80,512	63,19,804
Add: Transfer from surplus as per Statement of Profit and Loss	1,80,046	-	1,80,046	(6,39,292)
	58,60,558	-	58,60,558	56,80,512
e. Surplus as per the Statement of Profit and Loss				
As per the last balance sheet	19,39,02,882	2,61,496	19,41,64,376	51,84,08,036
Add: Adjustment on account of Audited figures	-	2,24,244	2,24,244	(47,73,411)
	19,39,02,882	4,85,740	19,43,88,620	51,36,34,625
Add: Net Profit/ (Loss) after tax transferred from the Statement of Profit and Loss (including LPSBPL)	(39,97,69,520)	(4,85,740)	(40,02,55,260)	(32,30,38,930)
MAT Credit entitlement	-	-	-	(18,06,163)
Transferred from General Reserve	-	-	-	47,35,552
	(20,58,66,638)	-	(20,58,66,640)	19,35,25,084
Appropriation				
Transfer to reserve of subsidiary company after 25.12.1990	1,80,046	-	1,80,046	(6,39,292)
	(20,60,46,684)	-	(20,60,46,686)	19,41,64,376
	14,87,50,531	-	14,87,50,529	54,90,05,792

NOTE - 4 LONG TERM BORROWINGS

DESCRIPTION	AS AT 31.03.2017 (₹)	AS AT 18.04.2016 (₹)	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
Secured:				
a. Term Loans				
From Banks	15319610	-	15319610	28502227
Less:Current Maturities of long term debts (Refer note no 10)	(15319610)	-	(15319610)	(19168895)
	0	-	0	9333332
From Other Parties	540440190	-	540440190	620070021
Less:Current Maturities of long term debts (Refer note no 10)	(380639288)	-	(380639288)	(216291956)
	159800902	-	159800902	403778065
	159800902	-	159800902	413111397
b. Deferred Payment Liabilities				
From Haryana State Industrial and Infrastructure Development Corporation Limited	15293494	-	15293494	15293494
Less:Current Maturities of Deferred payment liabilities (Refer note no 10)	(15293494)	-	(15293494)	(15293494)
	-	-	-	-
c. Long Term Maturities of Finance Lease Obligations				
Against hypothecation of vehicles	2193547	-	2193547	3595106
Less:Current Maturities of finance lease obligation (Refer note no 10)	(820326)	-	(820326)	(1682169)
	1373221	-	1373221	1912937
Against hypothecation of plant and machinery	0	-	0	298371
Less:Current Maturities of finance lease obligation (Refer note no 10)	0	-	0	(298371)
	0	-	0	-
	1373221	-	1373221	1912937
Unsecured:				
d. Term Loans				
From Other Parties	530324	-	530324	29496981
Less:Current Maturities of long term debts (Refer note no 10)	(530324)	-	(530324)	(28966656)
	0	-	0	530325
e. Loans and Advances from Related Parties				
From Directors *	451343986	-	451343986	352754161
From Others *	11633382	-	11633382	8008382
	462977368	-	462977368	360762543
	624151491	-	624151491	776317202

Deposits under stipulations of lending financial institutions and banks. Unsecured loans amounting to Rs.302698943/- (previous year Rs. 217025000/-) from Sh. Dinesh Kumar Jain, one of the promoters carries an interest rate of 8.50% per annum.

TERM LOANS FROM BANKS (SECURED)

(i) Term loans are from Canara Bank.

(ii) Details of term loans from Canara Bank and security furnished are as under:

NATURE OF LOAN	DATE OF SANCTION	AMOUNT SANCTIONED (₹)	TERMS OF REPAYMENT	AMOUNT OUTSTANDING (₹)	PRIME SECURITY
Term Loan	03.04.2013	5,00,00,000	18 quarterly installments varying from Rs. 20 lacs to Rs. 46.67 lacs	1,53,19,610	Exclusive charge on assets i.e. accessories of machines, dies and tools acquired valued at Rs. 7.00 crores.
Term Loan	08.09.2011	5,00,00,000	20 equal quarterly installments of Rs. 25000000 /-	Nil	1st pari passu charge with existing term lenders on existing fixed assets and dies and tools to be acquired out of the loan. Term loan from Canara Bank has been repaid during the year and discharge of security by Canara Bank is under process.
Working Capital Term Loan	22.09.2010	10,50,00,000	20 equal quarterly installments of Rs. 52500000/-	NIL	1st pari passu charge on existing tools and dies valued at Rs. 25 crores. Collateral Security for the term loans from Canara Bank : 1. 1st pari passu charge on land measuring 10640 sq yards and building thereon in the name of Smt. Sushila Devi Jain, Director of the Company situated at NH 10, Hissar Road Rohtak. 2. 1st pari passu charge on land measuring 4.6125 acre and building there on in name of Shri Nikhlesh Jain and Shri Saurabh Jain, relatives of the Directors of the Company, situated at Mauza Kharawar, Tehsil- Sampla , District - Rohtak, Haryana. Working Capital term loan from Canara Bank has been repaid during the years and discharge of security by Canara Bank is under process.
TOTAL				1,53,19,610	
Current Maturities				1,53,19,610	

(iii) In the earlier years, the Company had availed a term loan from State Bank of India which has been repaid during the FY 2014-15. However discharge of security is under process. The said loan was secured by way of :-

NAME OF BANK	DATE OF SANCTION	AMOUNT SANCTIONED (₹)	TERMS OF REPAYMENT	AMOUNT OUTSTANDING (₹)	PRIME SECURITY
State Bank of India	03.11.2011	4,50,00,000	10 quarterly installments varying from Rs.37.50 lacs to Rs.58.50 lacs	NIL	1st pari passu charge alongwith other consortium bankers on current assets and existing tools and dies capitalised. Collateral securities are the same as against CC/ BD/ LC and other facilities sanctioned by the bank. 11nd pari passu charge on entire fixed assets of the Company comprising of land and building, plant and machinery, other fixed assets including capital work in progress alongwith equitable mortgage of the land and building of Plant I and Plant II Hissar Road.

(iv)

DESCRIPTION	2016-17 (₹)		2015-16 (₹)	
	NON CURRENT	CURRENT	NON CURRENT	CURRENT
Aggregate amount of Term Loans from Banks secured by way of personal guarantees of some of directors of the Company and their relatives are:	-	1,53,19,610	9333333	19168894

(v) Period and amount overdue and unpaid as on the Balance Sheet date (continuing defaults, regularised after date of Balance Sheet)

NAME OF BANK	DUE DATE OF INSTALLMENTS	INSTALLMENTS AMOUNT (₹)	AMOUNT PAID (₹)	AMOUNT OF DEFAULT (₹)
Canara Bank	25.03.2016	2500000	1180390	1319610
Canara Bank	29.03.2016	4666667	0	4666667

Interest accrued and due Rs.Nil (previous year Rs..Nil) remained unpaid as on the date of Balance Sheet in respect of term loans from banks.

TERM LOANS FROM OTHER PARTIES (SECURED)

(vi) Term loans from other parties are from Intec Capital Limited, Haryana State Industrial and Infrastructure Development Corporation Limited (HSIIDC), Karvy Financial Services Limited and Hero Fincorp Limited as under:

DESCRIPTION	2017		2016	
	NON CURRENT (₹)	CURRENT (₹)	NON CURRENT (₹)	CURRENT (₹)
Intec Capital Limited	4264647	30765806	18302317	20796065
Haryana State Industrial and Infrastructure Development Corporation Limited (HSIIDC)	77504840	15384616	124573615	106777385
Karvy Financial Services Limited	0	142136872	137047965	49046526
Hero Fincorp Limited	78031916	53889950	123854168	39671980
TOTAL	159801403	242177244	403778065	216291956

(vii) Details of term loans from other parties are as under:-

A. Intec Capital Limited

NATURE OF FACILITY	DATE OF SANCTION	AMOUNT SANCTIONED (₹)	TERMS OF REPAYMENT	AMOUNT OUTSTANDING (₹)	CASH MARGIN (₹)	OTHER SECURITY
Term Loan	29.11.2012	2,14,00,000	60 equal monthly installments of Rs. 505843/- (including interest)	87,80,115	64,20,000	1st and exclusive charge on the entire assets and equal to the loan amount.
Term Loan	22.02.2013	2,95,00,000	60 equal monthly installments of Rs. 697268/- (including interest)	1,66,85,833	88,50,000	1st and exclusive charge on the entire assets and equal to the loan amount and further secured by way of 1st charge on fixed assets of the Company including land and building and plant and machinery with ICICI Bank Limited and IDBI Bank Limited on pari passu basis.
Term Loan	23.06.2014	1,36,05,400	60 equal monthly installments of Rs. 309569/- (including interest)	95,64,505	36,05,431	1st Charge by the way of exclusive hypothecation lien mark on the Performa invoice in favour of Intec Capital Ltd covering the entire assets.
			TOTAL	3,50,30,453		
			Current Maturities	3,07,65,806		

Cash margin of Rs. 15270000/- furnished to Intec Capital Limited is entitled to interest at 9% per annum.

Period and principal amount overdue and unpaid as on the Balance Sheet date (continuing defaults)

NAME OF PARTY	DUE DATE OF INSTALMENT	INSTALMENTS AMOUNT (₹)	AMOUNT PAID (₹)	AMOUNT OF DEFAULT (₹)
Intec Capital Limited	01/02/16	382916		3,82,916
Intec Capital Limited	01/03/16	387792		3,87,792
Intec Capital Limited	01.04.2016	3,92,731	-	3,92,731
Intec Capital Limited	01.05.2016	3,97,733	-	3,97,733
Intec Capital Limited	01.06.2016	4,02,798	-	4,02,798
Intec Capital Limited	01.07.2016	4,07,928	-	4,07,928
Intec Capital Limited	01.08.2016	4,13,123	-	4,13,123
Intec Capital Limited	01.09.2016	4,18,384	-	4,18,384
Intec Capital Limited	01.10.2016	4,23,713	-	4,23,713
Intec Capital Limited	01.11.2016	4,29,109	-	4,29,109
Intec Capital Limited	01.12.2016	4,34,574	-	4,34,574
Intec Capital Limited	01.01.2017	4,40,108	-	4,40,108
Intec Capital Limited	01.02.2017	4,45,713	-	4,45,713
Intec Capital Limited	01.03.2017	4,51,389	-	4,51,389
Intec Capital Limited	01.12.2015	4,95,765	2,51,310	2,44,455
Intec Capital Limited	01.01.2016	5,01,841	-	5,01,841
Intec Capital Limited	01.02.2016	5,07,991	-	5,07,991
Intec Capital Limited	01.03.2016	5,14,217	-	5,14,217
Intec Capital Limited	01.04.2016	5,20,518	-	5,20,518
Intec Capital Limited	01.05.2016	5,26,898	-	5,26,898
Intec Capital Limited	01.06.2016	5,33,355	-	5,33,355
Intec Capital Limited	01.07.2016	5,39,892	-	5,39,892
Intec Capital Limited	01.08.2016	5,46,508	-	5,46,508
Intec Capital Limited	01.09.2016	5,53,206	-	5,53,206
Intec Capital Limited	01.10.2016	5,59,986	-	5,59,986
Intec Capital Limited	01.11.2016	5,66,849	-	5,66,849
Intec Capital Limited	01.12.2016	5,73,796	-	5,73,796
Intec Capital Limited	01.01.2017	5,80,828	-	5,80,828
Intec Capital Limited	01.02.2017	5,87,946	-	5,87,946
Intec Capital Limited	01.03.2017	5,95,152	-	5,95,152
Intec Capital Limited	16.07.2016	2,10,031		2,10,031
Intec Capital Limited	16.08.2016	2,12,306		2,12,306
Intec Capital Limited	16.09.2016	2,14,606		2,14,606
Intec Capital Limited	16.10.2016	2,16,931		2,16,931
Intec Capital Limited	16.11.2016	2,19,281		2,19,281
Intec Capital Limited	16.12.2016	2,21,657		2,21,657
Intec Capital Limited	16.01.2017	2,24,058		2,24,058
Intec Capital Limited	16.02.2017	2,26,485		2,26,485
Intec Capital Limited	16.03.2017	2,28,939		2,28,939
TOTAL		1,65,07,053	2,51,310	1,62,55,743

Interest accrued and due Rs.3838814/- (previous year Rs.2282896/-) remained unpaid as on the date of Balance Sheet in respect of term loans from Intec Capital Ltd.

B. Haryana State Industrial and Infrastructure Development Corporation Limited (HSIIDC)

NATURE OF FACILITY	DATE OF SANCTION	AMOUNT SANCTIONED (₹)	TERMS OF REPAYMENT	AMOUNT OUTSTANDING (₹)	CASH MARGIN (₹)	OTHER SECURITY
Term Loan	17.04.2012	25,00,00,000	26 equal quarterly installments of Rs. 9615385/-, starting from 30.04.2014	23,13,51,000	Nil	First charge on all the present and future fixed assets of proposed expansion project at IMT Rohtak and remaining assets of the company (except book debts) subject to prior charges created or to be created in favour of bankers for working capital requirements
			TOTAL	23,13,51,000		
			Current Maturities	15,38,46,160		

Period and principal amount overdue and unpaid as on the Balance Sheet date (continuing defaults)

NAME OF PARTY	DUE DATE OF INSTALMENT	INSTALMENTS AMOUNT (₹)	AMOUNT PAID (₹)	AMOUNT OF DEFAULT (₹)
HSIIDC	30.04.2014	96,15,385	-	96,15,385
HSIIDC	31.07.2014	96,15,385	-	96,15,385
HSIIDC	31.10.2014	96,15,385	-	96,15,385
HSIIDC	31.01.2015	96,15,385	-	96,15,385
HSIIDC	30.04.2015	96,15,385	-	96,15,385
HSIIDC	31.07.2015	96,15,385	-	96,15,385
HSIIDC	31.10.2015	96,15,385	-	96,15,385
HSIIDC	31.01.2016	96,15,385	-	96,15,385
HSIIDC	30.04.2016	96,15,385	-	96,15,385
HSIIDC	31.07.2016	96,15,385	-	96,15,385
HSIIDC	31.10.2016	96,15,385	-	96,15,385
HSIIDC	31.01.2017	96,15,385	-	96,15,385
TOTAL		11,53,84,620	-	11,53,84,620

Interest accrued and due Rs.85099083/- (previous year 35462300/-) remained unpaid as on the date of Balance Sheet in respect of term loans from HSIIDC.

C. Karvy Financial Services Limited

NATURE OF FACILITY	DATE OF SANCTION	AMOUNT SANCTIONED (₹)	TERMS OF REPAYMENT	AMOUNT OUTSTANDING (₹)	CASH MARGIN (₹)	OTHER SECURITY
Term Loan	25.03.2013	15,00,00,000	78 equal monthly installments of Rs. 3275468/- (including interest)	9,75,57,124	Nil	1st pari passu charge on fixed assets of the Company alongwith ICICI bank Limited, IDBI Bank Limited and Intec Capital Limited.
Term Loan	27.12.2014	5,21,98,474	71 equal monthly installments of Rs. 1199900/- (including interest)	4,45,79,748	Nil	Pari passu charge along with IDBI Bank Limited & Intec Capital Limited on Fixed Assets of the Company which comprises of Industrial Land & Building and Plant & machinery and original property documents to be mortgaged. The creation of charge is under process.
TOTAL				14,21,36,872		
				Current Maturities	14,21,36,872	

Period and principal amount overdue and unpaid as on the Balance Sheet date (continuing defaults)

NAME OF PARTY	DUE DATE OF INSTALMENT	INSTALMENTS AMOUNT (₹)	AMOUNT PAID (₹)	AMOUNT OF DEFAULT (₹)
Karvy Financial Services Limited	05.03.2017	17,78,958	-	17,78,958
Karvy Financial Services Limited	05.10.2016	2,11,200	1,87,660	23,540
Karvy Financial Services Limited	05.11.2016	2,14,368	-	2,14,368
Karvy Financial Services Limited	05.12.2016	2,17,584	-	2,17,584
Karvy Financial Services Limited	05.01.2017	2,20,847	-	2,20,847
Karvy Financial Services Limited	05.02.2017	2,24,160	-	2,24,160
Karvy Financial Services Limited	05.03.2017	2,27,523	-	2,27,523
Karvy Financial Services Limited	05.10.2016	3,50,335	-	3,50,335
Karvy Financial Services Limited	05.11.2016	3,55,590	-	3,55,590
Karvy Financial Services Limited	05.12.2016	3,60,924	-	3,60,924
Karvy Financial Services Limited	05.01.2017	3,66,337	-	3,66,337
Karvy Financial Services Limited	05.02.2017	3,71,832	-	3,71,832
Karvy Financial Services Limited	05.03.2017	3,77,410	-	3,77,410
TOTAL		52,77,068	1,87,660	50,89,408

Interest accrued and due Rs.16938151/- (previous year 4459686/-) remained unpaid as on the date of Balance Sheet in respect of term loans from Karvy Financial Services Limited.

D. Hero Fincorp Limited

The Company has been sanctioned term loans vide sanction letters dated 06.09.2013 for Rs. 100000000/- and sanction letter dated 30.10.2013 for Rs. 100000000/- for purchase of plant and machinery. The outstanding balance as on the balance sheet was Rs. 131.

NATURE OF FACILITY	AMOUNT SANCTIONED (₹)	TERMS OF REPAYMENT	CASH COLLATERAL SECURITY (₹)	OTHER SECURITY
Term Loan	20,00,00,000	54 installments of Rs.101282/-(including interest) 54 installments of Rs.379806/-(including interest) 54 installments of Rs.506408/-(including interest) 54 installments of Rs.506408/-(including interest) 54 installments of Rs.1331702/-(including interest)"	Nil	Hypothecation by way of lien and charges on the equipment/ Plant and Machinery purchased / to be purchased out of the loan.

Period and principal amount overdue and unpaid as on the Balance Sheet date (continuing defaults)

NAME OF PARTY	DUE DATE OF INSTALMENT	INSTALMENTS AMOUNT (₹)	PAID AMOUNT (₹)	AMOUNT OF DEFAULT (₹)
Hero Fincorp Limited	08.01.2017	245760	119267	1,26,493
	09.01.2017	101282	0	1,01,282
	13.01.2017	143073	0	1,43,073
	18.01.2017	506408	0	5,06,408
	26.01.2017	506408	0	5,06,408
	28.01.2017	81206	0	81,206
	01.02.2017	253204	0	2,53,204
	08.02.2017	3096687	0	30,96,687
	09.02.2017	481088	0	4,81,088
	13.02.2017	143073	0	1,43,073
	18.02.2017	506408	0	5,06,408
	26.02.2017	506408	0	5,06,408
	28.02.2017	81026	0	81,026
	01.03.2017	253204	0	2,53,204
	08.03.2017	3096687	0	30,96,687
	09.03.2017	481088	0	4,81,088
	13.03.2017	143073	0	1,43,073
	18.03.2017	506408	0	5,06,408
	26.03.2017	506408	0	5,06,408
	28.03.2017	81026	0	81,026
TOTAL		1,17,19,925	1,19,267	1,16,00,658

Interest accrued and due Rs.3532780/- (previous year nil/-) remained unpaid as on the date of Balance Sheet in respect of term loans from Hero Fincorp Limited

(viii)

DESCRIPTION	2016-17		2015-16	
	NON CURRENT (₹)	CURRENT (₹)	NON CURRENT (₹)	CURRENT (₹)
Aggregate amount of term loan from other parties and further secured by way of personal guarantees Shri L.K. Jain (Chairman and Managing Director) and Shri D.K. Jain (Vice Chairman and Managing Director)	0	14,21,36,872	13,70,47,965	4,90,46,526
Shri L.K. Jain Chairman and Managing Director	8,17,69,487	18,46,11,966	14,28,75,933	12,75,73,450
Shri D.K. Jain Vice Chairman and Managing Director	7,80,31,916	5,38,89,950	12,38,54,168	3,96,71,980
TOTAL	15,98,01,402	38,06,38,788	40,37,78,066	21,62,91,956

b. DEFERRED PAYMENT LIABILITIES

(i) Deferred payment credits from Haryana State Industrial & Infrastructure Development Corporation Limited (HSIIDC) are secured against the following properties:-

- Plot no. 153, Sector 3 at IMT Manesar , Gurgaon
- Plot no. 257, Sector 6 at IMT Manesar , Gurgaon
- Working Housing unit at IMT Manesar , Gurgaon
- Dormitory House at IMT Manesar , Gurgaon

a) The above properties shall continue to belong to HSIIDC until and unless the full price of the properties with interest and other amount, if any, due to HSIIDC is paid by the Company.

b) On the payment of total price of the properties, the HSIIDC would execute a deed of conveyance in favour of the Company.

(ii) Term of repayments

NAME OF LENDER	NATURE OF FACILITY		TERMS OF REPAYMENT
Haryana State Industrial and Infrastructure Development Corporation Limited	Deferred Payment Liabilities	Plot no. 153, Sector 3 at IMT Manesar , Gurgaon	(i) 5 half yearly installments of Rs. 551646/- (ii) Enhanced cost of Rs. 14385600/- payable in 5 half yearly installments of Rs. 2877120/- each commencing from 31/10/2012"
		Plot no. 257, Sector 6 at IMT Manesar , Gurgaon	(i) 5 half yearly installments of Rs. 201353/- (ii) Enhanced cost of Rs. 6393600/- payable in 5 half yearly installments of Rs. 1278720/- each commencing from 31/10/2012
		Working Housing unit at IMT Manesar, Gurgaon	8 half yearly installments of Rs. 71250/-
		Dormitory House at IMT Manesar , Gurgaon	8 half yearly installments of Rs. 140625/-

(iii) Period and amount overdue and unpaid as on the Balance Sheet date (continuing defaults):

NATURE OF FACILITY		AMOUNT OF DEFAULT (₹)	DUE DATE	STATUS
Deferred Payment Liabilities	Working Housing unit at IMT Manesar, Gurgaon	2,85,000	02.03.2013	Unpaid
	Dormitory House at IMT Manesar , Gurgaon	5,62,500	05.03.2013	Unpaid
	IMT Manesar, Gurgaon Plot No 153	19,52,931	01.08.2011	Unpaid
		21,68,103	30.04.2013	Unpaid
		28,77,120	31.10.2013	Unpaid
	IMT Manesar, Gurgaon Plot No 153 (Enhancement Cost)	28,77,120	30.04.2014	Unpaid
		28,77,120	31.10.2014	Unpaid
	IMT Manesar, Gurgaon Plot No 257 (Enhancement Cost)	4,14,880	30.04.2014	Unpaid
		12,78,720	31.10.2014	Unpaid
	TOTAL		1,52,93,494	

Interest accrued and due Rs.16938151/-(previous year Rs. 5059643/-) remained unpaid as on the date of Balance Sheet.

c. LONG TERM MATURITIES OF FINANCE LEASE OBLIGATIONS

(i) Long term maturities of finance lease obligations are secured by way of hypothecation of vehicles and plant & machinery acquired under finance lease are as under:

NAME OF LENDER	NATURE OF FACILITY	TERMS OF REPAYMENT
Volkswagon Finance Limited	Finance Lease -	60 monthly installments of Rs. 86472/-

d. TERM LOANS (UNSECURED) FROM OTHER PARTIES

i) Term loans (unsecured) from other parties are as under:-

NAME OF LENDER	NATURE OF FACILITY	AMOUNT (₹)	TERMS OF REPAYMENT
Religare Finvest Limited	Term Loans	5,30,324	36 monthly installments of Rs. 271143/- (including interest)
	TOTAL	5,30,324	
	Current Maturities	5,30,324	

Interest accrued and due Rs. Nil (previous year Rs. 635629/-) remained unpaid as on the date of Balance Sheet.

(ii)

DESCRIPTION	2016-17		2015-16	
	NON CURRENT (₹)	CURRENT (₹)	NON CURRENT (₹)	CURRENT (₹)
Aggregate amount of Term Loans from other parties secured by way of personal guarantees of : Shri L.K. Jain Chairman and Managing Director Shri D.K. Jain Vice Chairman and Managing Director	13,50,976 -	13,72,893 -	5,30,324 -	28,36,473 2,61,30,183
TOTAL	13,50,976	13,72,893	5,30,324	2,89,66,656

NOTE - 5A DEFERRED TAX LIABILITY (NET)

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
Deferred tax liability				
On account of difference in rates and method of depreciation	5,39,914	-	5,39,914	7,14,946
On account of difference in treatment of certain payments under Income Tax Act, 1961	-	-	-	-
Gross deferred tax liability	5,39,914	-	5,39,914	7,14,946
5B Deferred tax asset				
On account of difference in rates and method of depreciation	-	-	-	-
Gross deferred tax asset	-	-	-	-
Deferred Income tax Liability(NET)				
At the end of year	5,39,914	-	5,39,914	7,14,946
For the year	(1,75,032)	-	(1,75,032)	(1,38,429)

Deferred tax resulting from timing differences between book profit and taxable income is accounted for using the current tax rate.

Deferred tax assets in respect of timing differences capable of reversal in future and carried forward losses under the Income Tax Act 1961 has not been recognised in case of the Holding Company in view of absence of virtual certainty supported by convincing evidence that sufficient taxable income will be available in future for reversal of deferred tax assets. The total deferred tax assets not recognised amounting to Rs. 29,42,07,000/- as on 31.03.2017.

NOTE - 6 OTHER LONG TERM LIABILITIES

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
Others:				
Security Deposits from customers/employees	1,18,89,193	-	1,18,89,193	1,19,05,064
	1,18,89,193	-	1,18,89,193	1,19,05,064

NOTE - 7 LONG- TERM PROVISIONS

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
Provision for employee benefits (refer note no. 33(xix):				
Gratuity	24,04,13,505	-	24,04,13,505	21,89,90,206
Leave Encashment	10,70,39,619	-	10,70,39,619	8,81,27,528
	34,74,53,124	-	34,74,53,124	30,71,17,734

i) The liability towards gratuity is as certified by the actuary.

ii) The Company provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment. The liability is provided based on numbers of days of unutilized leave at each Balance Sheet date as certified by an Actuary.

NOTE - 8 SHORT- TERM BORROWINGS

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
Secured:				
a. Loans repayable on demand:				
Working capital limits from Banks (refer point (a) below)	1,36,45,50,466	-	1,36,45,50,466	1,25,26,96,423
	1,36,45,50,466	-	1,36,45,50,466	1,25,26,96,423
Unsecured:				
b. Deposits:				
Fixed Deposits from Directors and others	14,81,00,002	-	14,81,00,002	14,76,00,002
Other loans and advances- from Companies	5,80,55,000	-	5,80,55,000	7,29,00,000
	20,61,55,002	-	20,61,55,002	22,05,00,002
	1,57,07,05,468	-	1,57,07,05,468	1,47,31,96,425

(a) Working capital limits from banks (secured)

1) Working capital limits from consortium banks are from Canara Bank and State Bank of India in the ratio of 70:30 and are secured by way of pari passu first charge against hypothecation of entire chargeable current assets i.e stock (including goods in transit) and book debts (present and future) of the Company and pari passu second charge on fixed assets of the Company consisting of land and building, plant and machinery and other fixed assets including capital work in progress (present and future) and guaranteed by Directors of the Company and their relatives. Working capital limits from consortium banks are further secured by way of equitable mortgage of:

- Plant I and II of the Company Property part of Khewat No 124/115, Khatoni No 171, Killa No 96/(713/2(3-8, 14/2 (10-3), 15/1(1-12)-17(9-4)-24(7-12) and Part of Khewat No 129/120, Khatoni No 183 min, Killa No 96(4/1(2-17)-7/3/1(4-1) situated at 8.5 lane Mile Stone, Village Totoli, Jind Road. Rohtak-124001 Haryana. Plant III of the Company. Plot no 153, Sector 3 IMT Manesar, Gurgaon-122050 Haryana measuring 4050 sq mtrs. Packaging Unit of the Company Plot No 257 Sector 6 IMT Manesar Gurgaon-122050, Haryana (India) measuring 1800 sq mtrs. Plant IV of the Company Part of Khewat No 141 Min. Khatoni No 176 Min, Killa No 122/1(5-4) and Part of Khewat No 140 Min, Khatoni No 175 Min Killa No 103/108(8-0), 11(8-0), 20(8-0) and Part of Khewat No 103/1(8-0), 104(5/2(4-0), 5/3(2-0) and Part of Khewat No 140 N.H. 10 Near Sudhir Automotive NH-10, Kharwae Delhi Road Rohtak 124001 Haryana, measuring 45496 sq yards.
- Property situated at adjacent LPS Plant-II and near Canara Bank and Honda Showroom Hissar Road Industrial Area, Rohtak in the name of Smt. Sushila Devi Jain wife of Late Shri Bimal Prasad Jain measuring 10640 sq yards of land.
- Agriculture land part of Khewat no 97 Min, Khatoni no 117 Min. and Killa no 126/12/2/1(2-3) and part of Khewat no 90 Min, Khatoni No 103 Min and Killa no 126/19/2 (7-13), 22/1(6-5) and Part of Kheat no 88/97 Min, Khatoni no 10 Min and Killa no 126/22/2(1-8) 23(8-0) and part of Khewat no 97 Min, Khatoni no 117 Min and Killa no 147/1/(8-0)3(6-17)4(7-7) and part of Khewat no 91 Min, Khatoni no 103 Min and Killa no 147/3 Min Northern 4-9 situated at near LPS Bossard and Kharwar village Rohtak Delhi Road NH 10, Village Kharwar, Distt Rohtak, Haryana measuring 46125 acres.
- First pari passu charge with other consortium members on Dies and Tools capitalised during financial year 2010-2011 and 2011-12.
- Exclusive charge on Dies and Tools capitalised during financial year 2012-13.

2) Working capital limits from Corporation Bank Limited (outside consortium) are secured against equitable mortgage of Industrial plot measuring 16 Kanal 3 Marla situated in the Revenue Village Kutana, Tehsil and District Rohtak, Hayana in the name of the Company.

3) Aggregate amount of loans guaranteed by the Directors of the Company and their relatives	AMOUNT (₹)	AMOUNT (₹)
	1,36,45,50,466	1,25,26,96,423
4) Period and amount of overdue and unpaid as on the Balance Sheet date:		

NATURE OF FACILITY	AMOUNT OF DEFAULT (CONTINUING AS ON BALANCE SHEET DATE) (₹)	PERIOD OF OVERDUE SINCE LAST IRREGULARITY (DAYS)
Working Capital limits with Canara Bank	3,66,73,147	4 Days
Working Capital limits with State Bank of India	1,14,98,887	36 Days

b) Deposits from directors and others (unsecured)

- Deposits are from directors and others and are repayable on demand.
- Interest accrued and due Rs. 98,79,753/- (previous year 2,03,04,712/-) on Fixed Deposit from directors and others remained unpaid as on the Balance Sheet date.

c) Other loans and advances from Companies (unsecured)

- Other loans and advances are from Companies and repayable on demand.
- Interest accrued and due Rs.23,34,110 /- (previous year Rs. 11,00,000/-) remained unpaid as on the Balance sheet date.

NOTE- 9 TRADE PAYABLES

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
- Material and Services	54,50,97,365		54,50,97,365	72,49,98,153
- Related Parties	-		-	-
	54,50,97,365	-	54,50,97,365	72,49,98,153

Information required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended 31st March, 2017. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

PARTICULARS	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
1) Principal amount and interest due thereon remaining unpaid to any supplier	Nil	Nil	Nil	Nil
2) The amount of interest paid by the buyer in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil	Nil	Nil
3) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil	Nil	Nil
4) The amount of interest accrued and remaining unpaid	Nil	Nil	Nil	Nil
5) The amount of interest further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil	Nil	Nil

NOTE- 10 OTHER CURRENT LIABILITIES

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
Current maturities of long term debts (Refer note no 4a and 4d)	39,64,89,222	-	39,64,89,222	26,44,27,505
Current maturities of Deferred Payment Liabilities (Refer note no 4b)	1,52,59,494	-	1,52,59,494	1,52,93,494
Current maturities of finance lease obligations (Refer note no 4c)	8,20,325	-	8,20,325	19,80,539
Interest accrued but not due on Borrowings	86,93,396	-	86,93,396	95,53,677
Interest accrued and due on Borrowings	15,64,37,129	-	15,64,37,129	6,93,04,866
Unpaid dividend	14,99,914	-	14,99,914	17,42,437
Advances and progress payments from customers	10,85,09,547	-	10,85,09,547	9,32,16,788
Creditors for capital goods	1,32,40,591	-	1,32,40,591	2,10,45,321
HDFC Bank, Rohtak (Current Account)	0	-	0	60,91,448
Excise duty payable	5,55,87,969	-	5,55,87,969	5,34,76,418
Employees benefit expense	12,94,15,937	-	12,94,15,937	8,72,37,055
Statutory dues	31,42,23,918	-	31,42,23,918	19,78,76,115
Other payables	2,90,44,741	-	2,90,44,741	5,28,10,452
	1,22,92,22,183	0	1,22,92,22,183	87,40,56,118
a) Current maturities of long- term debt includes:				
i) Current maturities of long- term debt (secured) (refer note no. 4a)	39,59,58,898	-	39,59,58,898	23,54,60,850
ii) Current maturities of long- term debt (unsecured) (refer note no. 4d)	5,30,324	-	5,30,324	2,89,66,65
	39,64,89,222	-	39,64,89,222	26,44,27,506

b) Investor Protection and Education Fund is being credited by the amount of unclaimed dividend after seven years from the due date. The Company has transferred and deposited a sum of Rs. 242524/- (previous year Rs. 392280/-) out of unclaimed dividend pertaining to the FY. 2008-09 (previous year FY. 2007-08) to Investor Education and Protection Fund of the Central Government in accordance with the provisions of section 125 of the Companies Act, 2013 (section 205C of the Companies Act, 1956).

c) The Company has made a provision of excise duty payable amounting Rs 5,55,87,969/- (previous year Rs. 5,34,76,418/-) on stocks of finished goods and scrap material at the end of the year. Excise duty is considered as an element of cost at the time of manufacture of goods.

d) Employees benefit expense includes Rs.1,93,80,740/- (Previous year Rs. 1,15,12,608/-) payable to Directors of the Company.

e) Statutory dues are in respect of PF,ESI,Sales Tax, Income Tax ,Wealth Tax,Service Tax,Labour Welfare Fund, Work Contract Tax, Professional Tax, R.D. Cess,Excise Duty, TDS ,TCS and Interest on TDS, Sales Tax, PF, ESI and Income tax.

f) Other payables include expenses payable, advance against sale of assets and other payables.

g) Other payables includes payable to:

NAME OF PARTY	2016-17	2015-16
Smt. Sushila Devi Jain	71,78,265	49,88,038
	71,78,265	49,88,038

NOTE - 11 SHORT- TERM PROVISIONS

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
a. Provision for employee benefits (refer note no. 33(16)):				
Leave encashment	1,03,60,439	-	1,03,60,439	1,55,76,293
Gratuity	1,98,42,501	-	1,98,42,501	1,10,65,661
	3,02,02,940	-	3,02,02,940	2,66,41,954
b. Others				
Statutory Dues*	2,94,673	-	2,94,673	2,50,00,000
	2,94,673	-	2,94,673	2,50,00,000
	3,02,02,940	-	3,04,97,613	5,16,41,954

* Statutory dues are in respect of Income Tax.

Provisions are recognized for expenses such as gratuity, leave encashment, income tax and wealth tax. The provisions are recognized on the basis of past events and the probable settlement of the present obligation as a result of the past events during the financial year 2016-17.

The movement in provisions are as under:

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
1. Balance at the beginning of the financial year				
Income Tax	4,24,77,093	-	4,24,77,093	2,10,78,042
Wealth Tax	3,06,508	-	3,06,508	3,06,508
Leave Encashment (Long Term Rs. 8,81,27,528/-)	9,91,93,189	-	9,91,93,189	9,05,55,610
Gratuity (Long Term Rs. 21,89,90,206/-)	23,45,66,499	-	23,45,66,499	21,93,81,958
TOTAL	37,65,43,289	-	37,65,43,289	33,13,22,118
2. Provision recognized				
Income Tax	-	2,94,673	2,94,673	2,50,00,000
Wealth Tax	-	-	-	-
Leave Encashment	2,50,52,216	-	2,50,52,216	1,64,09,646
Gratuity	2,54,45,361	-	2,54,45,361	3,62,91,230
TOTAL	5,04,97,577	2,94,673	5,07,92,250	7,77,00,876
3. Provision utilized				
Income Tax	1,58,86,823	-	1,58,86,823	17,94,785
Wealth Tax	-	-	-	-
Leave Encashment	40,12,963	-	40,12,963	77,72,067
Gratuity	27,89,324	-	27,89,324	2,11,07,239
TOTAL	2,26,89,110	-	2,26,89,110	3,06,74,091
4. Provision unused, reversed				
Income Tax	-	-	-	18,06,164
Wealth Tax	-	-	-	-
Leave Encashment	(2,57,282)	-	(2,57,282)	(550)
Gratuity	-	-	-	18,05,614
TOTAL	(2,57,282)	-	(2,57,282)	18,05,614
5. Balance at the end of the financial year				
Income Tax*	2,65,90,270	2,94,673	2,68,84,943	4,24,77,093
Wealth Tax**	3,06,508	-	3,06,508	3,06,508
Leave Encashment (Long Term Rs. 10,70,39,619/-)	12,04,89,724	-	12,04,89,724	9,91,93,189
Gratuity (Long Term Rs. 24,04,13,505/-)	25,72,22,536	-	25,72,22,536	23,45,66,499
TOTAL	40,46,09,038	2,94,673	40,49,03,711	37,65,43,289

* Rs. 2,65,90,270/- (Previous year Rs. 4,24,77,093/-) includes in statutory dues under other current liabilities.

** Rs. 3,06,508/- (Previous year Rs. 306508/-) included in statutory dues under other current liabilities.

NOTE - 12 FIXED ASSETS

DESCRIPTION	GROSS BLOCK			DEPRECIATION					NET BLOCK		
	AS AT 01.04.2016 (₹)	ADDITIONS (₹)	SALES/ ADJUSTMENT (₹)	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)	FOR THE PERIOD (₹)	SALES/OTHER ADJUSTMENT (₹)	SET-OFF FROM RETAINED EARNINGS (₹)	AS AT 31.03.2017 (₹)	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)
A. TANGIBLE :		-	-	-	-	-	-	-	-	-	-
1 Industrial Land		-	-	-	-	-	-	-	-	-	-
Freehold	21,82,51,012	-	(30,27,356)	21,52,23,656	-	-	-	-	-	21,52,23,656	21,82,51,012
Leasehold	1,83,98,416	-	-	1,83,98,416	-	-	-	-	-	1,83,98,416	1,83,98,416
2 Factory Building	26,70,83,037	-	-	26,70,83,037	10,54,62,867	1,05,34,175	-	-	11,59,97,042	15,10,85,995	16,16,20,173
3 Office Premises											
Freehold	8,13,362	-	-	8,13,362	6,02,139	32,297	-	-	6,34,436	1,78,926	2,11,223
Leasehold											
Consolidated	5,53,040	-	-	5,53,040	4,39,842	23,197	-	-	4,63,039	90,001	1,13,198
4 Plant and Machinery	2,63,62,50,494	1,12,43,277	(3,57,03,288)	2,61,17,90,483	1,58,17,72,960	14,81,51,443	-	(13,58,84,814)	1,59,40,39,589	1,01,77,50,894	1,05,44,77,533
5 Furniture and											
Fixtures											
Consolidated	4,85,93,781	84,900	-	4,86,78,681	4,12,90,733	14,11,984	-	-	4,27,02,717	59,75,964	73,03,048
6 Electric Fans and											
Installations	4,22,90,127	2,215	-	4,22,92,342	3,47,30,406	29,03,595	-	-	3,76,34,001	46,58,341	75,59,721
7 Office Equipments											
Consolidated	3,68,18,080	3,54,372	-	3,71,72,452	3,19,31,988	15,49,165	-	-	3,34,81,153	36,91,299	48,86,091
8 Computers											
Consolidated	8,33,39,993	15,81,630	-	8,49,21,623	7,93,53,933	11,82,898	-	-	8,05,36,831	43,84,792	39,86,060
9 Vehicles											
Consolidated	11,34,01,948	-	(61,54,736)	10,72,47,212	8,77,89,636	52,46,195	-	(58,44,168)	8,71,91,663	2,00,55,549	2,56,12,311
10 Weighing Scales	16,74,145	73,981	(82)	17,48,044	14,41,054	28,469	-	-	14,69,523	2,78,521	2,33,090
Fire Extinguishers	8,97,621	3,062	-	9,00,683	8,72,798	5,330	-	-	8,78,128	22,555	24,823
Total	3,46,83,65,056	1,33,43,437	(4,34,69,454)	3,43,68,23,031	1,96,27,56,430	17,10,68,748	-	(14,17,28,982)	1,99,50,28,122	1,44,17,94,909	1,50,26,76,699
INTANGIBLE :											
Consolidated	92,24,028	6,30,000	4,12,933	1,02,66,961	62,56,594	11,43,975	-	-	74,00,569	28,66,392	19,97,835
Total	3,47,75,89,084	1,39,73,437	(4,44,72,529)	3,44,70,89,992	1,96,90,13,024	17,22,12,723	-	(14,17,28,982)	2,00,24,28,691	1,44,46,61,301	1,50,46,74,534
CAPITAL WORK-IN-PROGRESS :											
	17,96,09,146	6,29,36,135	-	24,25,45,281	-	-	-	-	-	24,25,45,281	17,96,09,146
Total -Current Year	3,65,71,98,225	7,69,09,572	(4,34,69,454)	3,69,06,38,349	1,97,29,48,023	17,22,12,723	-	(14,17,28,982)	2,00,34,31,761	1,68,72,06,582	1,68,42,83,680
-Previous Year	3,01,88,51,420	84,30,59,707	(20,47,12,895)	3,65,71,98,227	1,87,72,26,077	15,91,08,542	-6,35,29,421	1,09,350	1,97,29,14,547	1,68,42,83,680	1,14,16,25,344

Notes:

- Depreciation has been provided on rates as per Schedule II of the Companies Act, 2013 on WDV basis except in case of Plant-II, Manesar Plants and Recoil Division and Tool and Dies only in Plant-I & Plant-IV where depreciation has been provided on Straight line method.
- Additions in fixed assets include Rs. 62936135/- (last year Rs 38411005/-) capitalised on account of borrowing costs in accordance with AS-16 "Borrowing Cost" issued by Institute of Chartered Accountants of India.
- Addition in Plant and Machinery includes a sum of Rs. 49,95,884/- (previous year Rs. 60,64,97,351/-) on account of Dies and Tools capitalised during the year (refer note no. 33(10)).
- Leasehold Offices Premises are in respect of office flats at Bangalore.
- Freehold Offices Premises are in respect of office flats at Mumbai and Delhi.
- Plant & Machinery includes capital expenditure of Rs. 57,34,061/- (Previous year Rs. Nil) on Research & Development.
- Leasehold Land are in the nature of perpetual lease and hence not amortised.
- Vehicles under finance lease are as under:-

Gross Block	Rs. 36032248/-
New Block	Rs. 19426302/-
- Machines under finance lease are as under:-

Gross Block	Rs. 1565758/-
New Block	Rs. 1360372/-

NOTE - 13 NON CURRENT INVESTMENTS

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
Long- term investments- at cost				
Trade (unquoted)				
Investment in Equity Instruments				
Associate Companies				
Hanumat Wires Udyog Private Limited 279300 Equity Shares of Rs. 10/- each	27,93,000			
Add:- Accumulated Income upto 31.03.2016 (including Goodwill Rs. Nil on acquisition)	1,15,77,010			
Add:- Share in profit for the year ended 31.03.2017	1,43,70,010			
	78,29,658	2,21,99,668	-	2,21,99,668
J.C. Fasteners Limited 700000 Equity Shares of Rs. 10/- each	70,00,000			
Add:- Accumulated Income upto 31.03.2016 (including Goodwill Rs. Nil on acquisition)	8,84,554			
Add:- Share in profit for the year ended 31.03.2017	78,84,554	8037846	-	8037846
	1,53,292			
Lakshmi Extrusion Limited 30000 Equity Shares of Rs. 100/- each	30,00,000			
Add:- Accumulated Income upto 31.03.2016 (including Goodwill Rs. Nil on acquisition)	(38,08,977)			
Add:- Share in profit for the year ended 31.03.2017	(8,08,977)	959791	-	959791
	17,68,768			
Joint Ventures				
LPS Bossard Information Systems Private Limited 184749 Equity Shares of Rs.10/- each		0	-	0
				1847490
	31197306	-	31197306	23293073
Less: Investment in Joint Venture companies			0	(1847490)
Aggregate amount of unquoted investments	31197306	-	31197306	21445583

NOTE - 14 LONG- TERM LOANS AND ADVANCES

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
Unsecured, considered good				
Capital Advances	57,27,863	-	57,27,863	91,15,088
Security Deposits				
With Electricity Departments	2,83,48,525	-	2,83,48,525	2,40,01,086
With Sales Tax/VAT Departments	-	-	-	20,000
With Other Government Departments	4,44,315	-	4,44,315	3,49,815
Other Deposits	62,11,168	-	62,11,168	63,88,668
Deposits with Intec Capital Limited as cash margin against borrowings	1,88,75,431	-	1,88,75,431	1,88,75,431
	5,96,07,302	-	5,96,07,302	5,87,50,088

NOTE - 15 OTHER NON- CURRENT ASSETS

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
Unsecured, considered good				
Technical knowhow fee				
As per last Balance Sheet	10,62,400	-	10,62,400	-
Add: Addition during the year	26,81,000	-	26,81,000	13,28,000
	37,43,400	-	37,43,400	13,28,000
Less: Written off	37,43,400	-	37,43,400	2,65,600
	-	-	-	10,62,400
Non Current assets	-	-	-	7,96,800
Current assets (refer note no.20)	-	-	-	2,65,600

NOTE - 16 INVENTORIES

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
Raw Materials	6,49,33,124	-	6,49,33,124	16,20,80,341
Work in Progress	89,75,46,051	-	89,75,46,051	90,94,77,350
Finished goods (including in transit Rs. 135738/- (previous year Rs. 2378884/-))	52,11,48,564	-	52,11,48,564	49,81,50,351
Add / (Less): Unrealised profit on intra group transactions	-	-	-	-
Stock in Trade (Traded goods)	-	-	-	21,06,931
Consumables stores and Spares	41,13,54,501	-	41,13,54,501	36,58,79,585
Dies and tools	-	-	-	-
Packing materials	4,81,95,872	-	4,81,95,872	4,50,09,515
Stationary in hand	2,80,847	-	2,80,847	2,93,017
Postage and foreign stamps	2,713	-	2,713	2,509
Scrap materials (at realisable value)	2,05,69,497	-	2,05,69,497	2,28,01,459
	1,96,40,31,169	-	1,96,40,31,169	2,00,58,01,058
Less: Provision for slow moving inventory	-	-	-	-
	1,96,40,31,169	-	1,96,40,31,169	2,00,58,01,058

Inventories have been valued at lower of cost and net realizable value. Cost has been ascertained in case of Semi-finished goods at 66% less on price-list and finished goods have been valued at 57% less on price-list 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 exact cost is not ascertainable. Excise duty payable on finished goods and scrap materials are shown separately as part of manufacturing cost and is included in the valuation of finished goods and scrap materials. Inventories are consumed on FIFO (First in First out) basis. Scrap material has been valued at net realisable value.

During the current financial year, the price list used for valuation of cost of the inventories as mentioned above has been revised to the selling prices of finished goods mentioned in the revised price list as on 01.01.2015. The above change in estimates has been detailed in note no. 34(29) of the financial statements.

NOTE - 17 TRADE RECEIVABLES

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
(Unsecured-considered good)				
Trade receivables outstanding for a period exceeding six months from the date they are due for payment				
Considered good	12,63,02,360	-	12,63,02,360	23,05,65,729
Considered doubtful	1,55,88,488	-	1,55,88,488	1,55,61,275
	14,18,90,848	-	14,18,90,848	24,61,27,004
Less: Allowances for doubtful debts	1,55,88,488	-	1,55,88,488	1,55,61,275
	12,63,02,360	-	12,63,02,359	23,05,65,729
Other Trade receivables	42,56,94,708	-	42,56,94,708	51,24,12,000
	55,19,97,068	-	55,19,97,067	74,29,77,729
Less: Intra group transactions	-	-	-	-
	55,19,97,068	-	55,19,97,067	74,29,77,729

Trade receivables include:

- Rs.7,880 /- (previous year Rs. 7,880/-) due from J C Fastners Limited, an Associate Company (provision for doubtful debts recognised Rs. 7,880/-)
- Rs. 4,48,058/- (previous year Rs. 4,48,058/-) due from Lakshmi Extrusions Limited, an Associate Company (provision for doubtful debts recognised Rs. 8,058/-).
- Rs. 67,86,114 /- (previous year Rs. 67,86,114/-) due from Universal Precision Screws, a firm in which directors are partners.
- Rs 78129/- (previous year Rs. nil) due from LPS Industrial Supplies Private Limited, an Associate Company.re partners.
- Rs.60,20,115/- (previous year Rs. 9,618/-) due from LPS-Ejot Fastening Systems Private Limited, an Associate Company.

NOTE - 18 CASH AND BANK BALANCES

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
Cash and cash equivalents	21,55,504	-	21,55,504	1,71,95,233
Balances with Banks in current accounts	3,96,706	-	3,96,706	82,93,788
Cash on hand	-	-	-	45,000
Cheques in hand	25,52,210	-	25,52,210	2,55,34,022
Other Bank Balances				
Fixed Deposits*	13,57,635	-	13,57,635	12,34,766
Pledged as margin money against bank guarantees	4,20,67,583	-	4,20,67,583	6,24,96,197
Pledged as margin money against letter of credits	50,00,000	-	50,00,000	86,80,793
Lien against public deposits	-	-	-	77,43,338
No lien account	14,99,913	-	14,99,913	17,42,437
Unpaid dividend accounts**	4,99,25,131	-	4,99,25,131	8,18,97,531
	5,24,77,341	-	5,24,77,341	10,74,31,554

* Fixed deposits with banks include deposits of Rs. 4,20,097/- (Previous Year of Rs. 5,76,38,996/-) with maturity of more than 12 months.

** The Company can utilise the balance only towards settlement of unclaimed dividends.

NOTE - 19 SHORT- TERM LOANS AND ADVANCES

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
(Unsecured, considered good)				
Loans and advances to related parties (refer point (a) below)	71,74,874	-	71,74,874	1,59,60,028
Others				
Advance against Material and Services	11,64,78,668	-	11,64,78,668	13,70,28,703
Prepaid Expenses	45,13,848	-	45,13,848	67,55,113
Security Deposits	-	-	-	-
Balance with Central Excise Department	3,81,21,950	-	3,81,21,950	1,55,20,826
Cenvat on Capital Goods	20,22,260	-	20,22,260	28,33,527
Advance to staff	65,47,118	-	65,47,118	62,75,573
Employee advance under litigation (refer note no 31(x))	1,64,84,155	-	1,64,84,155	1,60,59,342
Advance Income Tax and TDS	32,970	-	32,970	-
Other advances	1,78,18,375	-	1,78,18,375	1,65,41,363
	20,91,94,218	-	20,91,94,218	21,69,74,474

(i) Details of Loans and advances to related parties:

NAME OF PARTY	RELATIONSHIP	NATURE OF ADVANCES	AMOUNT (₹)	AMOUNT(₹)
Lakshmi Extrusion Limited	An associate Company	Loan	-	1,01,96,685
Hanumat Wire Udyog Private Limited	An associate Company	Loan	69,35,516	55,00,003
LPS Fasteners & wires Private Limited	An associate Company	Material & Services		84,594
J.C. Fastener Limited	An associate Company	Material & Services		14,028
Nav Bharat Agencies	A partnership firm in which directors are partner	Material & Services	2,39,358	1,64,718
			71,74,874	1,59,60,028

(ii) That the balance with central excise department includes balance in central excise account at head office, duty paid on stocks lying at the branches and with consignees.

(iii) Other advances include Service Tax to be availed, VAT refund due and staff imprest accounts.

NOTE - 20 OTHER CURRENT ASSETS

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
(Unsecured, considered good)				
Interest accrued on deposits	78,05,012	-	78,05,012	1,89,02,966
Claims Receivable	2,93,42,571	-	2,93,42,571	5,43,726
Income Tax Refund Due	40,63,121	-	40,63,121	1,72,56,541
Export incentives receivable	50,93,105	-	50,93,105	61,63,378
Licence in hand	18,77,875	-	18,77,875	18,77,875
Technical knowhow fee (Refer note no. 15)	1,88,88,078	-	1,88,88,078	2,65,600
	6,70,69,762	-	6,70,69,762	4,50,10,086

NOTE - 21 REVENUE FROM OPERATIONS

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
Sale of products				
Sale of Machine Screws	2,45,89,99,391	-	2,45,89,99,391	3,03,75,38,172
Export Sales	7,45,20,865	-	7,45,20,865	-
Sale of Machine Screws (Traded)	30,60,39,248	-	30,60,39,248	97,38,04,094
Sale of Scrap Materials	2,57,17,521	-	2,57,17,521	4,11,84,131
Other operating revenues				
Job work receipts	-	-	-	2,30,307
Export Incentives	28,07,470	-	28,07,470	61,63,378
	2,86,80,84,495	-	2,86,80,84,494	4,05,89,20,082
Less: Excise Duty	(28,11,64,002)	-	(28,11,64,002)	(31,29,36,596)
Less: Intra Group Transactions	-	-	-	-
Revenue from operations (net)	2,58,69,20,493	-	2,58,69,20,492	3,74,59,83,485

NOTE - 22 OTHER INCOME

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
Rent	4,35,400	-	4,35,400	50,400
Interest on fixed deposits with banks, loans, securities and from customers	60,25,912	-	60,25,912	1,48,11,355
Exchange rate variation (net)	-	-	-	1,66,18,148
Dividend from long term trade investments	-	-	-	47,04,038
Profit on sale of assets	1,28,07,889	-	1,28,07,889	41,450
Excess Depreciation Withdrawn	13,08,55,707	-	13,08,55,707	-
Miscellaneous receipts	42,18,294	-	42,18,294	55,71,007
	15,43,43,202	-	15,43,43,202	4,17,96,398

i) Interest received includes a sum of Rs. 26,31,580/- (previous year Rs. 93,17,573/-) on bank deposits, Rs. 7,97,508/- (previous year Rs. 19,09,232/-) from trade customers, Rs. 1,86,487/- (previous year Rs. 7,97,508/-) on loans and Rs. 24,10,337/- (previous year Rs. 27,87,043/-) on securities.

ii) Miscellaneous receipts includes excise claims, unclaimed balances written off and other miscellaneous receipts.

NOTE - 23 COST OF MATERIALS CONSUMED

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
Wire/ Wire Rods Alloys	75,44,27,927	-	75,44,27,927	91,12,71,840
Stainless Steel/ Bars	7,63,05,899	-	7,63,05,899	2,50,72,915
	83,07,33,826	-	83,07,33,826	93,63,44,755

NOTE - 24 PURCHASES OF TRADED GOODS

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
Machine Screws	30,52,97,940	-	30,52,97,940	73,26,73,684
Less: Intra Group Transactions	-	-	-	-
	30,52,97,940	-	30,52,97,940	73,26,73,684

NOTE - 25 PURCHASES OF SEMI- FINISHED- GOODS

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
Washer, Cap and Springs	5,72,65,789	-	5,72,65,789	11,80,26,135
	5,72,65,789	-	5,72,65,789	11,80,26,135

NOTE - 26 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK- IN- PROGRESS AND STOCK- IN- TRADE

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
Opening Stocks:				
Machine Screws				
Finished goods	49,76,79,756	-	49,76,79,756	49,80,19,645
Finished goods (traded)	21,06,931	-	21,06,931	15,22,28,234
Finished goods in transit	4,70,595	-	4,70,595	1,35,738
Semi finished goods	90,94,77,350	-	90,94,77,350	90,74,94,561
Semi finished goods (Washer,Cap and Springs)	-	-	-	9,52,38,960
Scrap materials	2,28,01,459	-	2,28,01,459	1,03,14,616
	1,43,25,36,091	-	1,43,25,36,091	1,66,34,31,754
CLOSING STOCKS:				
Machine Screws				
Finished goods	52,06,93,362	-	52,06,93,362	49,76,79,756
Finished goods (traded)	-	-	-	16,26,40,078
Finished goods in transit	4,55,202	-	4,55,202	4,70,595
Semi finished goods	89,75,46,051	-	89,75,46,051	89,60,90,147
Semi finished goods (Washer,Cap and Springs)	-	-	-	1,33,87,203
Scrap materials	2,05,69,497	-	2,05,69,497	2,28,01,459
	1,43,92,64,112	-	1,43,92,64,112	1,59,30,69,238
Less: Provision for slow moving inventory	-	-	-	(45,68,245)
	1,43,92,64,112	-	1,43,92,64,112	1,58,85,00,993
	(67,28,021)	-	(67,28,021)	7,49,30,760
(Increase)/Decrease in inventories is as under:				
Finished goods	(2,30,13,606)	-	(2,30,13,606)	3,39,889
Finished goods (traded)	21,06,931	-	21,06,931	(58,43,599)
Finished goods in transit	15,393	-	15,393	(3,34,857)
Semi finished goods	1,19,31,299	-	1,19,31,299	1,14,04,414
Semi finished goods (Washer,Cap and Springs)	-	-	-	8,18,51,757
Scrap materials	22,31,962	-	22,31,962	(1,24,86,843)
	(67,28,021)	-	(67,28,021)	7,49,30,761
Less: Provision for slow moving inventory	-	-	-	(5,02,15,365)
	(67,28,021)	-	(67,28,021)	2,47,15,396

NOTE - 27 EMPLOYEE BENEFITS EXPENSE

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
Salaries,Wages,Bonus and other amenities	64,94,19,972	-	64,94,19,972	67,13,84,453
Contribution towards LIC, Gratuity Trust and Leave encashment	5,05,50,560	-	5,05,50,560	5,26,47,893
Contribution towards P.F., E.S.I. and L.W.F.	2,72,86,870	-	2,72,86,870	2,86,03,991
Staff welfare	94,58,955	-	94,58,955	1,61,11,253
	73,67,16,357	-	73,67,16,357	76,87,47,590

(i) Employee benefits expenses include managerial remuneration Rs.2,70,00,000 (Rs Nil debited under exceptional items) (Previous year managerial remuneration of Rs. 4,12,32,739/-, out of which debited under exceptional items Rs. 5,89,000/-).

(ii) The managerial remuneration has been paid in terms of sanction from Central Government under section 2(94), 2(78), 197 and 200 of the Companies Act, 2013, vide letters ref# SRN C78372638, C78373354 & C78374097 dated 17th October, 2016 which are valid upto 31st December, 2017.

NOTE - 28 FINANCE COSTS

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
Interest expense	36,84,85,002	-	36,84,85,002	32,18,66,676
Financial charges	3,18,613	-	3,18,613	33,07,517
Bank charges and Front end fee	3,68,10,752	-	3,68,10,752	6,14,94,438
	40,56,14,367	-	40,56,14,367	38,66,68,632

NOTE - 29 OTHER EXPENSES

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
Consumable stores and spare parts	7,72,71,555	-	7,72,71,555	6,25,24,361
Power and fuel	17,08,00,554	-	17,08,00,554	19,67,30,950
Rent	66,66,733	-	66,66,733	2,71,55,738
Repairs to buildings	23,77,767	-	23,77,767	44,66,612
Repairs to machinery	22,49,859	-	22,49,859	19,81,461
Insurance	40,35,879	-	40,35,879	54,26,398
Rates and taxes	12,01,742	-	12,01,742	31,76,019
Job work charges	10,40,85,113	-	10,40,85,113	15,76,23,844
Packing expenses	2,06,05,336	-	2,06,05,336	5,30,34,582
Dies and tools consumed	17,71,872	-	17,71,872	2,05,12,916
Research and development expenses (refer note no. 34(7))	47,22,019	-	47,22,019	2,14,55,810
Travelling and conveyance	7,25,74,201	-	7,25,74,201	9,97,81,711
Royalty and Technical know-how fee	51,44,949	-	51,44,949	7,40,966
Legal and consultancy	1,58,78,727	-	1,58,78,727	2,42,12,857
Payment to auditor (Refer Note 34(9))				
As Auditor:				
Audit fee	28,09,114	-	28,09,114	27,61,749
Tax Audit Fee	-	-	-	2,50,000
Limited Review	-	-	-	3,00,000
Other matters	-	-	-	1,00,000
Reimbursement of expenses	34,684	-	34,684	84,303
Freight, insurance and cartage	4,03,66,722	-	4,03,66,722	8,13,29,085
Turnover and cash discount	2,00,05,736	-	2,00,05,736	2,54,83,756
Advertisement, publicity and sales promotion	48,81,001	-	48,81,001	2,02,38,841
Bad Debts, liquidated damages and short recoveries/short claims	17,36,256	-	17,36,256	2,03,39,338
Provision for bad and doubtful debts	4,07,740	-	4,07,740	1,33,16,529
Excise duty and sales tax	67,50,281	-	67,50,281	88,49,923
Exchange rate fluctuation (net)	-8,12,951	-	(8,12,951)	2,89,070
Other expenses	5,84,88,787	-	5,84,88,787	7,64,45,307
	62,40,53,676	-	62,40,53,676	92,86,12,125

NOTE - 30 PRIOR PERIOD ITEMS (REFER NOTE NO. 33(8))

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
Advertisement, publicity and sales promotion	94,500	-	94,500	-
Consumable stores and spare parts	18,17,637	-	18,17,637	-
Freight, insurance and cartage	36,35,801	-	36,35,801	-
Job work charges	1,84,623	-	1,84,623	-
Legal and consultancy	22,68,900	-	22,68,900	-
Other expenses	1,74,09,672	-	1,74,09,672	-
Interest Expenses	-	-	-	91,24,932
Cost of recharge	-	-	-	(12,02,328)
Interest Refund	-	-	-	(23,78,025)
	2,54,11,133	-	2,54,11,133	55,44,579

NOTE - 31 EXCEPTIONAL ITEMS

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
Gain on sale of long term investments	-	-	-	37,82,79,810
Excess Stock Written off	-	-	-	-5,02,15,365
- Work in progress	-	-	-	-6,83,68,072
- Consumable Store	-	-	-	-1,37,41,115
- Loss due to strike	-	-	-	24,59,55,258

NOTE - 32

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

PARTICULARS	SBNS	OTHER DENOMINATION NOTES	TOTAL
Cash in Hand on 8th November 2016	69,76,500.00	9,12,496.00	78,88,996.00
Permitted receipt	4,70,000.00	14,01,265.00	18,71,265.00
Permitted payment	-	16,65,033.00	16,65,033.00
Amount deposited in bank	74,46,500.00	-	74,46,500.00
Closing balance as at December 31, 2016	-	6,48,728.00	6,48,728.00

NOTE - 33 CONTINGENT LIABILITIES AND COMMITMENTS

DESCRIPTION	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	CONSOLIDATED	LPSBISPL	CONSOLIDATED	CONSOLIDATED
(a) Contingent liabilities				
i) Letter of credits and guarantees obtained from bank (Net of margin money)	1,69,98,191	-	1,69,98,191	14,84,34,219
ii) Liabilities against legal undertakings/bonds executed in favour of DGFT on account of export obligation undertaken by the Company against advance/ import licenses under EPCG Scheme."	6,69,17,398	-	6,69,17,398	6,69,17,398
iii) Income Tax liabilities on account of appeals pending with various authorities	77,16,673	-	77,16,673	77,16,673
iv) Labour strike (refer point (i) below)	2,30,35,314	-	2,30,35,314	2,30,35,314
(b) Commitments				
i) Estimated amount of capital contracts remaining to be executed and not provided for (net of advances)	2,58,64,004	-	8,93,21,138	8,93,21,138

Note:

i) There was a labour strike in Unit 1 of the Company on 27/02/2016 and there was a shutdown of Plant for the period 04/03/2016 to 31/03/2016 due to various demands of workers. The shut down of the Plant was Struck down by Government of Haryana vide Order no. 15409-17 and the matter was referred for adjudication to Industrial Tribunal. The Company is contesting the case before Industrial Tribunal Labour Court, Rohtak and there is a contingent liability of Rs. 2,30,35,314/- due to various demands by workers on the said account. Based on advise of Solicitors, the Company has adequately represented before judicial authorities and therefore expects no liability on this account and hence no provisions have been recognised. The detail of Contingent liability are as under:-

NATURE OF EXPENSE	AMOUNT (₹)
Salary (Annual Increase)	30,08,625
Allowances due on 31/01/2016	15,34,000
Salary (subject to production)	13,84,250
Salary (during the period of strike/ lockout)	1,71,08,439
	2,30,35,314

NOTE - 34 OTHER NOTES ON ACCOUNTS

1. 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" specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the Consolidated Financial Statements of Lakshmi Precision Screws Limited includes the financial statements of its subsidiary Company, its associates and joint venture as under:-

NAME OF THE ENTITY	COUNTRY OF INCORPORATION	EXTENT OF CONTROL	DATE/ PERIOD OF CONTROL	NET ASSETS I.E. TOTAL ASSETS MINUS TOTAL LIABILITIES		SHARE IN PROFIT OR LOSS	
				AMOUNT (₹)	AS % OF CONSOLIDATED NET ASSETS	AMOUNT (₹)	AS% OF CONSOLIDATED PROFIT OR LOSS
Parent Company							
Lakshmi Precision Screws Limited	India			26,85,44,185	87.01%	(40,80,52,814)	102.09%
				65,62,23,940	98.90%	(35,60,74,214)	110.12%
Subsidiary Company							
Indian Fastners Limited	India	67.30%	24.12.1990	2,96,92,952	11.06%	(14,68,517)	0.04%
				(1,34,707)	1.12%	(19,62,636)	0.19%
Minority Interest in Subsidiary	India	32.71%		51,88,492	1.93%	87,501	0.02%
				51,00,991	0.54%	(3,10,691)	0.41%
Accumulated Share in Associates	India			-	-	97,51,719	2.44%
				-	-	47,92,519	5.86%
Accumulated Share in Joint Venture	India			-	0.00%	-	0.00%
				23,33,230	23.32%	3,02,05,400	81.84%
TOTAL				27,46,44,343	103.46%	(39,96,82,111)	104.59%
				66,35,23,454	123.89%	(32,33,49,622)	198.43%

2. In accordance with Accounting Standard -21 on "Consolidated Financial Statements" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014), the Consolidated Financial Statements of Lakshmi Precision Screws Limited include the Financial Statements of its Subsidiary Company. The particulars of Subsidiary Company are as under:-

Name of Subsidiary: Indian Fasteners Limited
Country of Incorporation: India
Date of control: 24.12.1990
Extent of control: 67.295% (previous year 67.295%)

3. The Associate Companies included in the consolidated financial statements in accordance with Accounting Standard-23 on "Accounting for Investments in associates in Consolidated Financial Statements" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) are as under:-

NAME OF THE ASSOCIATE COMPANY	DATE OF CONTROL	COUNTRY OF INCORPORATION	PROPORTION OF OWNERSHIP INTEREST	
			31.03.2017	31.03.2016
J C Fastners Limited	08.07.2001	India	42.81%	42.81%
Hanumat Wires Udyog Private Limited	16.04.2008	India	23.25%	23.25%
Lakshmi Extrusions Limited	08.12.2005	India	45.50%	45.50%

4. The Holding company had entered into Joint Venture agreement with 'Bossard AG', Switzerland on 26.06.1997 and invested a sum of Rs. 18,47,490/- in LPS Bossard Information Systems Private Limited towards allotment of 1,84,749 equity shares of Rs. 10/- each, towards 49% holding in the aforesaid Company. The Company has entered into winding up on 18.04.2016 The particulars of the Jointly Controlled Entities are as under:-

NAME OF THE JOINTLY CONTROLLED ENTITIES	DATE OF CONTROL	COUNTRY OF INCORPORATION	PROPORTION OF OWNERSHIP INTEREST	
			31.03.2017	31.03.2016
LPS Bossard Information Systems Private Limited	26.06.1997	India	0.00%	49.00%

LPSBISPL stand for LPS Bossard Information Systems Private Limited (upto 18.04.2016) in the financial statements presented above. The financial statements of LPS Bossard Information Systems Private Limited which is jointly controlled entity with Bossard AG, Switzerland, have been accounted for as per the proportionate consolidation method as prescribed by Accounting Standard-27 on "Financial Reporting of Interest in Joint Venture" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014). For this Purpose the proportionate share of the jointly controlled entity are added line by line to the assets, liabilities, income and expenditure on the basis of their provisional figures as approved by the respective Board.

5. PRINCIPLES OF CONSOLIDATION:

The consolidated financial statements relate to Lakshmi Precision Screws Limited (the Holding Company), its Subsidiary Company (Indian Fasteners Limited) (the Holding Company and its subsidiary together referred to as "the Group"), its Associate Companies (J C Fastners Limited, Hanumat Wires Udyog Private Limited and Lakshmi Extrusions Limited) . The financial statement of subsidiary company and associates have been incorporated based upon their provisional figures as approved by their respective Boards upto 31st March, 2017. The Consolidated financial statements have been prepared on following basis:-

- a) The consolidated financial statements have been prepared based on line-by-line consolidation of the statement of profit and loss and the balance sheet of the company and its subsidiary after eliminating intra group balances and unrealized profits/ losses if any on intra group transactions.
- b) Minority Interest's share of net assets of consolidated subsidiary for the year is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders. Minority Interest for the year has been calculated as under:-

PARTICULARS	31.03.2017	31.03.2016
Share of Equity in Subsidiary Company	23,40,300	23,40,300
Add: Share in Reserves upto 31.03.2016	27,60,691	30,71,382
Add: Profit for the year	87,501	(3,10,691)
	51,88,492	51,00,991

- c) In case of associates where the company directly or indirectly through subsidiary holds more than 20% of equity, investments in associates are accounted by using equity method in accordance with Accounting Standard-23 "Accounting for Investments in Associates in Consolidated Financial Statements" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014). The same has been done on the basis of provisional financial statements of the associate companies.
- d) The Company accounts for its share in the change in the net assets of the associates, post acquisition, after eliminating unrealized profits and losses resulting from transactions between the company and its associates to the extent of its share, through its statement of profit and loss to the extent such change is attributable to the associates profit and loss account and through its reserves for the balance, based on available information.
- e) The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as goodwill or capital reserve as the case may be.
- f) The consolidated financial statement have been prepared after elimination of unrealised profit and intra group transaction are as follows:-

PARTICULARS	2017	2016
Intra group transactions deducted from debtors and corresponding creditors	-	-
Intra group transactions deducted from sales and corresponding purchases	16,48,472	-
Unrealized profit deducted from inventory pertaining to the intra group transactions	-	-

As far as possible the consolidated financial statements are prepared using uniform accounting policies like transaction and other events in similar circumstances and are presented in the same manner as the company's separate financial statement.

6. That there was a misappropriation of funds amounting to Rs.1,60,59,342/- by an employee of the Company in the earlier years. An FIR was lodged with City Police Station, Rohtak on 22.06.2006. Investigations are being conducted. The hearing was conducted on 02.05.2011 in the Court of Chief Judicial Magistrate, Rohtak for the purpose of checking of challan and framing of charges against the employee. The Company had also filed a civil suit for recovery before the Delhi High Court on 13/09/2006. The case is still under litigation and pending before the Hon'ble Delhi High Court.

During the current financial year, Rs.20,00,000/- were recovered. The balance amount has been debited to concerned employee and shown under Short- term loans and advances. No provision for the same has been made since the Company expects to recover the entire amount."

7. Interest and other borrowing costs amounting to Rs. 5,54,36,971/-- (previous year Rs. 3,84,11,005/-) have been capitalized to the carrying cost of fixed assets and capital work- in- progress being financing costs directly attributable to the acquisition, construction or installation of the concerned qualifying assets till the date of its commercial use.

8. PRIOR PERIOD ITEMS:

- a) The Company during the financial year 2016-17 has recognised job work charges of Rs. 1,84,623/- for the bills received for the financial years 2014-15 and 2015-16 incurred on account of job work done on products, tools and dyes..
- b) The Company during the financial year 2016-17 has recognised expenses for consumable stores and spare parts of Rs. 18,17,637/- for the bills received for the financial year 2015-16.
- c) The Company during the financial year 2016-17 has recognised advertisement expenses of Rs. 94,500/- for the bill dated 15-01-2014 received for the financial year 2013-14.

- d) The Company during the financial year 2016-17 has recognised freight & forwarding charges and other charges on export of Rs. 36,35,801/- for the bills received for the financial year 2014-15 and 2015-16.
- e) The Company during the financial year 2016-17 has recognised legal and consultancy charges of Rs. 22,68,900/- for the bills received for the financial year 2015-16.
- f) The Company during the financial year 2016-17 has recognised other expenses of Rs. 1,74,09,672/- for the bills received for the financial year 2013-14, 2014-15 and 2015-16.

9. EXCEPTIONAL ITEMS:

- a) The Company had entered into a Share Purchase Agreement dated 10th March, 2016 with Sh. Rajesh Jain, Smt. Sandhya Jain, Sh. Rahul Jain, Smt. Samridhi Jain, M/s. Sun Shares Trading & Consultancy Private Limited and M/s. LPS Industrial Supplies Private Limited for sale of 100% stake in its Joint Venture, LPS Bossard Private Limited for a purchase consideration equivalent to Rs. 40,18,00,000/-. Pursuant to aforesaid sale of shares, the Company has received a sum of Rs.40,18,00,000/- against sale on 23,52,019 Equity shares of LPS Bossard Private Limited as aforesaid resulting in a Profit of Rs.37,82,79,810/- on the said transaction being the difference between consideration received and historical cost of shares as on the date of transaction. The same has been disclosed as an Exceptional item in previous financial year 2015-16 in accordance with the requirement of Accounting Standard -5, "Net Profit or Loss for the period, Prior Period Items and Changes in Accounting policies" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014). The closing date for the above transaction has been taken on 23rd March, 2016, being the date on which transfer of shares has been completed.

Therefore, LPS Bossard Private Limited has ceased to be a joint venture company.

b) INVENTORIES WRITTEN DOWN: WORK- IN- PROGRESS

The Company had identified dead and slow moving inventory in previous financial year 2015-16 under Work- in- progress having a book value of Rs. 5,45,83,125/- and after recognising a scrap value of Rs. 43,67,760/-, the net write down of Rs. 5,02,15,365/- in the value of Work- in- progress had been treated as an exceptional item in accordance with Accounting Standard- 5, "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies", specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

Consumable stores and spare parts

The Company had identified dead and slow moving inventory in previous financial year 2015-16 under Consumable stores and spare parts having a book value of Rs. 6,97,35,433/- and after recognising scrap value of Rs. 13,67,361/-, the net write down of Rs. 6,83,68,072/- in the value of Consumables stores and spare parts had been treated as an exceptional item in accordance with Accounting Standard- 5, "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies", specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- c) There was a labour strike in Unit 1 of the Company on the 27/02/2016 and there was a shutdown of Plant for the period from 04/03/2016 to 31/03/2016 due to various demands of workers. Due to strike, the following expenses incurred during the shut down period have been treated as exceptional items in pursuance of Accounting Standard-5-"Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies" (specified under section 133 of Companies Act, 2013, read with Rule 7 of Companies (Account) Rules, 2014.

NATURE OF EXPENSE	AMOUNT (₹)
Salary, Wages, Bonus and other amenities	26,55,490
Director's Remuneration	5,89,000
Interest expense	61,65,320
Travelling and conveyance	30,50,725
Power and fuel	8,74,065
Other expenses	4,06,515
	1,37,41,115

10. The Company has capitalized dies and tools amounting to Rs. 49,95,884/- (previous year Rs. 60,64,97,351/-) relating to dies and tools purchased/manufactured during the year.

11. Research and development expenses debited to the statement of profit and loss include the following:

PARTICULARS	AS AT 31.03.2017 (₹)	AS AT 31.03.2016 (₹)
a) Employee benefits expense	79,34,275	82,79,501
b) Cost of material consumed	-	1,095
c) Lease rent of research and development equipment	1,29,32,831	1,29,79,478
d) Other expenses	27,42,991	1,95,736
Total Expense during the year	2,36,10,097	2,14,55,810
Less: Expense considered as 'Deferred Revenue Expenditure' under head 'Other Current Assets'	1,88,88,078	-
Expense debited to 'Statement of Profit or Loss'	47,22,019	2,14,55,810

12. Foreign currency exposures recognised by the Group that have not been hedged by a derivative instrument or otherwise as at balance sheet date are as follows:-

CURRENCY	NATURE OF TRANSACTION	AS AT MARCH 31, 2017		AS AT MARCH 31, 2016	
		FOREIGN CURRENCY	INDIAN RUPEES (₹)	FOREIGN CURRENCY	INDIAN RUPEES (₹)
USD	Export Trade Receivables Group	1,68,651	1,09,35,074	2,19,478	1,45,58,583
	Import Trade Payables Group	3,28,057	21,26,69,940	2,98,062	1,97,71,254
	Creditors for Capital Goods	-	-	22,929	15,20,918
	Other Payable	-	-	7,079	4,69,575
	Buyer's Credit	-	-	90,831	60,24,907
EURO	Export Trade Receivables Group	1,66,552	1,15,33,353	7,46,515	5,60,59,930
	Import Trade Payables Group	51,045	35,34,350	3,173	2,38,303
GBP	Export Trade Receivables Group	16,689	13,49,835	22,295	21,20,031
Yen	Import Trade Payables	-	-	1,38,872	82,018
	Other Payable	-	-	-	-
JPY	Import Trade Payables	1,74,279	-	-	-
AED	Import Trade Payables	2,582	45,569	-	-

13. Payment to Auditors.

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
As Auditors		
- Audit Fees	19,00,000	22,50,000
In other Capacity		
- Taxation Matter	1,50,000	2,50,000
- Other Matter	7,44,000	4,00,000
- Reimbursement of Expenses	34,8 84	84,303

14. 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.

15. In the opinion of the Board, assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and provision for all known liabilities have been made.

16. Earning per share- Basic and Diluted

PARTICULARS	31.03.2017 (₹)	31.03.2016 (₹)
Numerator for earning per share		
Net Profit/(Loss) before taxation and prior period items	(37,41,51,246)	(26,23,24,454)
Less: Tax Expense		
Current Tax	294,673	4,33,73,728
Excess provision of Income tax written back	-	-
MAT Credit Entitlement	-	-
Deferred tax	(1,75,032)	(36,61,356)
Transferred to Minority Interest	87,501	(3,10,691)
TOTAL	(37,43,58,388)	(30,17,26,135)
Adjustment to net earning :		
Add: Prior period items	(2,54,11,133)	(55,44,579)
Add: Exceptional items	-	(1,57,68,217)
Profit/ (Loss) after taxation and prior period items	(39,97,69,521)	(32,30,38,931)

Denominator For Earning Per Share

PARTICULARS	31.03.2017 (₹)	31.03.2016 (₹)
Weighted number of equity shares		
Outstanding during the period	1,09,41,667	1,09,41,667
Earning per share-Basic and Diluted (Rs. per equity share of Rs. 10/- each)	(36.54)	(29.52)

17. SEGMENT REPORTING:

The segment reporting of the Company has been prepared in accordance with Accounting Standard (AS-17), "Accounting for Segment Reporting", (specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014).

PRIMARY-BUSINESS SEGMENT The Company is mainly engaged in the business of manufacture of high tensile fasteners. Since the Company is operating in a single line of product, there are no reportable primary segments.

SECONDARY-GEOGRAPHICAL SEGMENT The analysis of geographical segment is based on geographical location of the customers. The following is the distribution of Company's consolidated revenue by geographical market, regardless of where the goods were produced.

PARTICULARS	AS AT 31.03.2017	AS AT 18.04.2016	AS AT 31.03.2017	AS AT 31.03.2016
	(₹)	(₹)	(₹)	(₹)
	GROUPS AND ITS ASSOCIATES	LPSBISPL	CONSOLIDATED	CONSOLIDATED
Revenue from Operations (Net of Excise):				
Domestic Market	2,50,95,92,157	-	2,50,95,92,157	3,43,74,60,809
Overseas Market	7,45,20,865	-	7,45,20,865	30,85,22,677
	2,58,41,13,022	-	2,58,41,13,022	3,74,59,83,486
Segment Assets*:				
Within India	4,59,84,08,556	-	4,59,84,08,556	4,75,81,28,354
Outside India	2,45,03,488	-	2,45,03,488	12,71,90,185
	4,62,29,12,044	-	4,62,29,12,044	**4885318539
Capital Expenditure:				
Within India	7,29,47,383	-	7,29,47,383	82,72,34,702
Outside India	39,62,189	-	39,62,189	1,50,76,711
	7,69,09,572	-	7,69,09,572	84,23,11,413
* Net of provision for doubtful receivables				
** Includes investment in joint ventures, cancelled on consolidation				

18. RELATED PARTY TRANSACTIONS:

The related parties as per the terms of Accounting Standard- 18, "Related Party Disclosures", (specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) are disclosed below:-

(a) Names of related parties and description of relationship:

1. Enterprises in which KMP and relatives of such person exercise significant influence:

- i Amit Screws Private Limited
- ii LPS Fasteners & Wires Private Limited
- iii Nav Bharat Industries (Partnership Firm)
- iv Nav Bharat Agencies (Partnership Firm)
- v Shiv Industries (Partnership Firm)
- vi Swadesh Engineering Industries (Partnership Firm)
- vii Sudhir Automotive Industries Private Limited
- viii United Engineers (Partnership Firm)
- ix Universal Enterprises (Partnership Firm)
- x Universal Precision Screws (UPS) (Partnership Firm)
- xi LPS Industrial Supplies Private Limited
- xii LPS-Ejot Fastening Systems Private Limited
- xiii Hanumat Wire Udyog Private Limited
- xiv J C Fatsners Limited
- xv Sun Shares Trading & Consultancy Private Limited

2. Key Management Personnel:

- i Shri Lalit Kumar Jain (Managing Director)
- ii Shri Dinesh Kumar Jain (Managing Director)
- iii Shri Vijay Kumar Jain (Managing Director)
- iv Shri Rajesh Kumar Jain (Director)
- v Shri Santosh Kumar Sharma (Company Secretary)
- vi Shri Kanai Lal Ghorui (Chief Financial Officer)

3. Relative of Key Management Personnel:

- i Shri Sudesh Kumar Jain
- ii Shri Nikhlesh Jain
- iii Shri Amit Jain
- iv Shri Gagan Jain
- v Shri Gautam Jain
- vi Shri Rahul Jain
- vii Smt.Charul Jain
- viii Smt. Rita Jain
- ix Smt. Sushila Devi Jain
- x Smt. Deepa Jain
- xi Smt. Sandhya Jain
- xii Smt. Samridhi Jain

18 (b) Nature of transactions

PARTICULARS	ENTERPRISES WHERE DIRECTORS EXERCISE SIGNIFICANT INFLUENCE		KEY MANAGEMENT PERSONNEL		RELATIVES OF KEY MANAGEMENT PERSONNEL	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
1. Sale of Goods						
LPS Bossard Private Limited	-	39,30,951	-	-	-	-
LPS Industrial Supplies Private Limited	6,05,719	22,52,097	-	-	-	-
Universal Precision Screws	-	42,74,170	-	-	-	-
LPS- Ejot Fastening Systems Private Limited	63,12,054	1,36,516	-	-	-	-
Lakshmi Precision Screws Limited	-	12,707	-	-	-	-
Sudhir Automotive Industries Private Limited	-	2,94,269	-	-	-	-
Universal Enterprises	-	4,27,061	-	-	-	-
Bossard Industrial Fastener Intel Trading Company Limited	-	11,437	-	-	-	-
Bossard China	-	82,331	-	-	-	-
TOTAL	69,17,773	1,14,21,539	-	-	-	-
2. Purchase of Goods						
Nav Bharat Agencies	3,75,360	3,81,710	-	-	-	-
Hanumat Wires Udyog Private Limited	8,09,80,233	10,56,33,092	-	-	-	-
Sudhir Automotive Industries Private Limited	2,368	1,85,90,691	-	-	-	-
LPS Industrial Supplies Private Limited	2,46,584	4,61,699	-	-	-	-
Bossard Limited Fasteners, Switzerland	-	-	-	-	-	-
Bossard AG, Switzerland	-	2,67,24,989	-	-	-	-
Bossard France S.A.	-	4,16,184	-	-	-	-
Bossard Pte Limited, Singapore	-	30,808	-	-	-	-
Bossard North America Inc.	-	1,30,449	-	-	-	-
Bossard Denmark s.A.s	-	73,860	-	-	-	-
Bossard Australia	-	10,223	-	-	-	-
Bossard Industrial Fastener Int'l Trading Company Limited	-	4,48,521	-	-	-	-
KVT-Fasteni Dietikon	-	2,94,676	-	-	-	-
KVT-Fasteni Illerried	-	43,50,494	-	-	-	-
Bossard Thailand Limited	-	2,95,437	-	-	-	-
Lakshmi Precision Screws Limited	-	21,78,391	-	-	-	-
Universal Precision Screws	-	5,24,14,529	-	-	-	-
Universal Enterprises	-	47,55,958	-	-	-	-
J C Fasteners Limited	-	5,69,411	-	-	-	-
Swadesh Engineering Industries	-	2,77,84,367	-	-	-	-
TOTAL	8,16,04,545	245545489	-	-	-	-
3. Interest received						
Hanumat Wires Udyog Private Limited	7,17,756	7,97,508	-	-	-	-
TOTAL	7,17,756	7,97,508	-	-	-	-
4. Rent Received						
LPS Fasteners & Wires Private Limited	60,000	50,400	-	-	-	-
TOTAL	60,000	50,400	-	-	-	-
5. Cost of Recharge						
LPS- Ejot Fastening Systems Private Limited	-	34,58,772	-	-	-	-
TOTAL	-	34,58,772	-	-	-	-
6. Rent paid						
Indian Fasteners Limited	9,66,494	18,00,000	-	-	-	-
Nav Bharat Industries	8,40,000	8,40,000	-	-	-	-
Universal Precision Screws	-	1,64,46,080	-	-	-	-
Sushila Devi Jain	-	-	-	-	21,90,227	21,17,700
Sandhya Jain	-	-	-	-	9,54,506	9,54,506
TOTAL	18,06,494	1,90,86,080	-	-	31,44,733	30,72,206

PARTICULARS	ENTERPRISES WHERE DIRECTORS EXERCISE SIGNIFICANT INFLUENCE		KEY MANAGEMENT PERSONNEL		RELATIVES OF KEY MANAGEMENT PERSONNEL	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
7. Jobwork paid						
Amit Screws Private Limited	8,16,375	6,84,118	-	-	-	-
Hanumat Wires Udyog Private Limited	4,78,26,048	5,38,39,650	-	-	-	-
Universal Precision Screws	1,23,480	-	-	-	-	-
Universal Enterprises	37,044	1,40,038	-	-	-	-
Indian Fasteners Limited	16,48,472	12,74,354	-	-	-	-
J C Fastners Limited	-	7,50,000	-	-	-	-
LPS Fasteners & Wires Private Limited	95,68,376	92,25,120	-	-	-	-
Nav Bharat Industries	49,68,412	45,53,463	-	-	-	-
Shiv Industries	-	8,14,510	-	-	-	-
Sudhir Automotive Industries Private Limited	-	-	-	-	-	-
United Engineers	29,84,248	29,98,714	-	-	-	-
TOTAL	6,79,72,455	7,42,79,967	-	-	-	-
8. Jobwork received						
J.C. Fasteners Limited	-	3,44,239	-	-	-	-
TOTAL	-	3,44,239	-	-	-	-
9. Unsecured Loans						
Loans Accepted						
Lalit Kumar Jain	-	-	4,31,60,918	2,11,65,090	-	-
Dinesh Kumar Jain	-	-	8,56,73,943	4,93,85,000	-	-
Gagan Jain	-	-	-	-	23,66,788	20,56,788
Amit Jain	-	-	-	-	38,89,996	38,89,996
Gautam Jain	-	-	-	-	20,96,598	20,61,598
Rita Jain	-	-	-	-	35,00,000	-
Yashika Jain	-	-	-	-	4,00,000	-
Vijay Kumar Jain	-	-	34,50,000	-	-	-
Rajesh Jain	-	-	88,18,878	4,75,436	-	-
TOTAL	-	-	14,11,03,739	7,10,25,526	1,22,53,382	80,08,382
10. Unsecured Loans						
Loans Repaid						
Lalit Kumar Jain	-	-	-	1,55,30,056	-	-
TOTAL	-	-	-	1,55,30,056	-	-
11. Remuneration paid						
Lalit Kumar Jain	-	-	1,38,00,000	1,38,00,000	-	-
Dinesh Kumar Jain	-	-	-	1,03,80,000	-	-
Vijay Kumar Jain	-	-	1,32,00,000	1,32,00,000	-	-
Santosh Kumar Sharma	-	-	14,28,408	5,17,945	-	-
Kanai Lal Ghorui	-	-	27,22,800	12,79,029	-	-
Rajesh Kumar Jain	-	-	-	44,41,739	-	-
Sudesh Kumar Jain	-	-	-	-	38,59,560	36,36,000
Gagan Jain	-	-	-	-	27,45,000	26,10,000
Gautam Jain	-	-	-	-	27,45,000	26,10,000
Nikhlesh Jain	-	-	-	-	27,72,000	26,10,000
Amit Jain	-	-	-	-	26,10,000	26,10,000
Rahul Jain	-	-	-	-	26,10,000	26,10,000
Saurabh Jain	-	-	-	-	27,72,000	26,10,000
TOTAL	-	-	3,11,51,208	4,36,18,713	2,01,13,560	1,92,96,000
12. Interest paid to Directors/Others						
Lalit Kumar Jain	-	-	1,67,475	2,39,905	-	-
Rajesh Kumar Jain	-	-	5,54,399	7,94,170	-	-
Vijay Kumar Jain	-	-	2,29,075	3,28,147	-	-
Dinesh Kumar Jain	-	-	2,95,48,781	3,00,25,372	-	-
Gagan Jain	-	-	-	-	3,25,325	2,72,996
Gautam Jain	-	-	-	-	1,96,350	2,81,268
Amit Jain	-	-	-	-	3,25,325	4,66,023
TOTAL	-	-	3,04,99,730	3,13,87,594	8,47,000	10,20,288
13. IT support and maintenance fees						
Bossard AG, Switzerland	-	62,12,810	-	-	-	-
TOTAL	-	62,12,810	-	-	-	-

PARTICULARS	ENTERPRISES WHERE DIRECTORS EXERCISE SIGNIFICANT INFLUENCE		KEY MANAGEMENT PERSONNEL		RELATIVES OF KEY MANAGEMENT PERSONNEL	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
14. Sale of Investments						
Rajesh Kumar Jain	-	-	-	22,14,17,345	-	-
Sandhya Jain	-	-	-	-	-	81,99,934
Rahul Jain	-	-	-	-	-	78,58,270
Samridhi Jain	-	-	-	-	-	1,70,832
LPS Industrial Supplies Private Limited	-	1,70,832	-	-	-	-
Sun Shares Trading & Consultancy Private Limited	-	16,39,82,788	-	-	-	-
TOTAL	-	16,41,53,620	-	22,14,17,345	-	1,62,29,036

18 c) Balance at the end:

PARTICULARS	ENTERPRISES WHERE DIRECTORS EXERCISE SIGNIFICANT INFLUENCE		KEY MANAGEMENT PERSONNEL		RELATIVES OF KEY MANAGEMENT PERSONNEL	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
1. Balance receivable						
LPS Bossard Private Limited	-	4,63,303	-	-	-	-
Lakshmi Extrusions Limited (net of provision for doubtful debts)	-	1,01,96,685	-	-	-	-
Universal Precision Screws	67,86,114	67,86,114	-	-	-	-
LPS Industrial Supplies Private Limited	78,129	-	-	-	-	-
Nav Bharat Agencies	-	10,06,475	-	-	-	-
LPS- Ejot Fastening Systems Private Limited	60,20,105	9,618	-	-	-	-
Hanumat Wires Udyog Private Limited	55,00,003	55,00,003	-	-	-	-
LPS Fasteners & Wires Private Limited	-	84,594	-	-	-	-
TOTAL	1,83,84,351	2,40,46,792	-	-	-	-
2. Balance payable						
Nav Bharat Industries	5,65,26,128	6,16,17,509	-	-	-	-
United Engineers	1,60,77,468	1,61,46,663	-	-	-	-
J C Fastners Limited	22,46,068	23,77,886	-	-	-	-
Hanumat Wires Udyog Private Limited	4,20,28,212	6,31,57,221	-	-	-	-
Amit Screws Private Limited	18,94,950	13,17,487	-	-	-	-
Shiv Industries	-	43,22,208	-	-	-	-
Sudhir Automotive Industries Private Limited	6,163	75,38,890	-	-	-	-
Universal Enterprises	36,52,687	62,97,765	-	-	-	-
LPS Industrial Suppliers	1,93,121	7,61,739	-	-	-	-
LPS Fasteners & Wires Private Limited	21,37,050	-	-	-	-	-
LPS Bossard Private Limited	-	35,73,363	-	-	-	-
Universal Precision Screws	40,58,907	77,24,025	-	-	-	-
Swadesh Engineering Industries	-	70,20,447	-	-	-	-
Bossard Australia	-	8,565	-	-	-	-
Bossard AG, Switzerland	-	86,40,461	-	-	-	-
Bossard France S.A.	-	901	-	-	-	-
Bossard Pte Limited, Singapore	-	7,507	-	-	-	-
Nav Bharat Agencies	2,39,538	-	-	-	-	-
Bossard Denmark, s.A.s	-	14,891	-	-	-	-
Bossard Industrial Fasteners Intel Trading Company Limited	-	14,794	-	-	-	-
KVT-Fasteni Dietikon	-	16,732	-	-	-	-
KVT-Fasteni Illerried	-	59,287	-	-	-	-
Lakshmi Precision Screws Limited	-	1,81,138	-	-	-	-
Lalit Kumar Jain	-	-	10,50,71,744	9,09,89,803	-	-
Dinesh Kumar Jain	-	-	42,01,91,729	33,54,47,786	-	-
Vijay Kumar Jain	-	-	1,89,35,508	1,58,87,652	-	-
Rajesh Kumar Jain	-	-	1,37,28,564	1,70,50,233	-	-
Santosh Kumar Sharma	-	-	-	1,66,901	-	-
Kanai Lal Ghorui	-	-	1,63,416	2,81,103	-	-
Sushila Devi Jain	-	-	-	-	71,78,265	49,88,038
Sudesh Kumar Jain	-	-	-	-	28,77,840	3,18,120
Nikhlesh Jain	-	-	-	-	20,67,300	2,93,700
Gagan Jain	-	-	-	-	36,12,444	60,68,695

PARTICULARS	ENTERPRISES WHERE DIRECTORS EXERCISE SIGNIFICANT INFLUENCE		KEY MANAGEMENT PERSONNEL		RELATIVES OF KEY MANAGEMENT PERSONNEL	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Gautam Jain	-	-	-	-	43,10,746	61,54,296
Rahul Jain	-	-	-	-	26,10,000	-
Yashika Jain	-	-	-	-	4,00,000	-
Amit Jain	-	-	-	-	41,30,552	1,01,74,094
Saurabh Jain	-	-	-	-	20,67,300	3,98,100
Rita Jain	-	-	-	-	35,00,000	-
TOTAL	12,90,60,292	190799478	55,80,90,961	45,98,23,477	3,27,54,447	2,83,95,043

19 In accordance with Accounting Standard- 28, "Impairment of Assets", (specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and made applicable from 1st day of April, 2004, the Company has assessed the potential generation of economic benefits from its business units as on the balance sheet date and is of the view that assets employed in continuing business are capable of generating adequate returns over their useful lives in the usual course of business; there is no indication to the contrary and accordingly, the management is of the view that no impairment provision is called for in these accounts.

20 Pursuant to Accounting Standard- 27, "Financial Reporting of Interests in Joint Ventures", (specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014), disclosures in respect of the said joint ventures are given below:

- (i) a) Name of the Venture LPS Bossard Information Systems Private Limited
- b) Description of Interest Jointly Controlled Entity (Upto 18th April 2016)
- c) Country of Incorporation India
- d) Proportion of ownership interest as at March 31, 2016 49%
- e) The Company's share in each of the assets, liabilities, incomes and expenses (each without elimination of the effect of transaction between the Company and the Joint Venture) related to its interest in Joint Venture, based on unaudited financial statements/ financial information as at 18th April, 2016 are as under:

PARTICULARS	18.04.2016	31.03.2016
ASSETS		
Non- current assets		
Fixed assets:		
Tangible assets	-	-
Intangible assets	-	-
Deferred tax assets (net)	-	-
Long- term Loans and advances	-	-
Current assets		
Cash and bank balances	-	22,58,823
Short- term loans and advances	-	-
Other current assets	-	74,407
LIABILITIES		
Non- current liabilities		
Deferred tax liabilities (net)	-	-
Current liabilities		
Other current liabilities	-	-
Short- term provisions	-	-
INCOME		
Other Income	-	-
EXPENDITURE		
Employee benefits expense	-	-
Depreciation and amortisation expense	-	-
Other expenses	-	3,54,005
Current Tax	-	-
Deferred Tax	-	-
CONTINGENT LIABILITIES	Nil	Nil
CAPITAL COMMITMENTS	Nil	Nil

21 Disclosures pursuant to Accounting Standard- 15, "Employee Benefits", (specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) are given below:

DEFINED CONTRIBUTION PLAN

Contribution to Defined Contribution Plan, recognized as expense for the year is as under:

DESCRIPTION	GROUP AND ITS ASSOCIATES 31.03.2017 (₹)	JOINTLY CONTROLLED ENTITY LPSIBPL 18.04.2016 (₹)	CONSOLIDATED 31.03.2017 (₹)	CONSOLIDATED 31.03.2016 (₹)
Employer's Contribution towards Provident Fund (PF)	93,16,682	-	93,16,682	99,85,368
Employer's Contribution towards Family Pension Scheme (FPS)	1,64,26,304	-	1,64,26,304	1,72,50,289
Employer's Contribution towards Employee State Insurance (ESI)	16,15,050	-	16,15,050	15,24,270
	2,73,58,036	-	2,73,58,036	2,87,59,927
*Included in Research & development expenses Rs. 46,817/-.				
**Included in Research & development expenses Rs. 1,06,169/-.				

22.DEFINED BENEFIT PLAN

The employee's Gratuity Fund Scheme, which is defined benefit plan, is managed by trust maintained with Life Insurance Corporation of India (LIC). The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

GRATUITY:-

The employees' Gratuity Fund Scheme, which is a defined benefit plan, is managed by the trust maintained with Life insurance Corporation of India (LIC). The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

DESCRIPTION	2016-17 (₹)	2015-16 (₹)
a. Reconciliation of opening and closing balances of Defined Benefit obligation		
Defined benefit obligation at beginning of the year	26,29,30,329	24,74,46,340
Interest cost	1,90,44,904	1,82,21,399
Current Service Cost	2,29,90,312	1,70,77,044
Benefit paid	(57,21,195)	(2,30,66,993)
Actuarial (gain) / loss	(1,44,00,101)	32,52,539
Defined Benefit obligation at year end	28,48,44,249	26,29,30,329
b. Reconciliation of opening and closing balances of fair value of plan assets		
Fair value of plan assets at beginning of the year	2,83,63,830	2,80,64,382
Expected return on plan assets	22,19,077	22,59,322
Employer contribution	22,39,506	4,50,715
Actuarial gain / (loss)	(51,71,377)	53,403
Withdrawals	(29,323)	(24,63,992)
Fair value of plan assets at year end	2,76,21,713	2,83,63,830
c) Reconciliation of fair value of assets and obligations		
Fair value of plan assets	2,76,21,713	2,83,63,830
Present value of obligation	28,48,44,249	26,29,30,329
Amount recognised in Balance Sheet-Asset / (Liabilities)	(25,72,22,536)	(23,45,66,499)
Current Portion	2,11,36,154	1,55,76,293
Non-Current Portion	26,14,70,972	21,89,90,206
d) Expenses recognised during the year		
Current Service Cost	(57,21,195)	1,70,77,044
Interest Cost	2,29,90,312	1,82,21,399
Expected return on plan assets	(22,39,506)	(22,59,322)
Actuarial (gain) / loss	25,72,22,536	32,52,109
Net Cost debited to statement of profit and loss	27,22,52,147	3,62,91,230
e) Broad categories of plan assets as a percentage of total assets		
Insurer managed funds	100%	100%
f) Actuarial assumptions		
Mortality table (LIC)	IAL 2006-08 Ultimate	IAL 2006-08 Ultimate
Attrition Rate	0% to 1%	0% to 1%
Imputed Rate of Interest	7.30% to 7.40%	7.70% to 7.80%
Salary Rise	8% to 15%	8% to 12%
Return on Plan Assets	8.25%	0.0835
Remaining Working Life	10.43 years to 18.63 years	11.17 years to 19.69 years
g) Actual return on plan assets	22,68,177	23,12,725

DESCRIPTION	2016-17 (₹)	2015-16 (₹)	2014-15 (₹)
h) Amounts for current and previous periods:*			
Present value of obligation	28,48,44,249	26,29,30,329	24,74,46,340
Fair value of plan assets	2,76,21,713	2,83,63,830	2,80,64,382
Surplus / (Deficit)	(25,72,22,536)	(23,45,66,499)	(21,93,81,958)

Notes:

- The plan assets are maintained with Life Insurance Corporation of India (LIC).
- The Company expects to contribute Rs. 75.00 lacs (previous year Rs. 75.00 lacs) to the plan during the next financial year.
- The estimates of rate is escalation in salary's considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the Actuary.
- The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risk, historical results of return on plan assets and the Company's policy for the plan assets management.

Leave Encashment:-

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

DESCRIPTION	2016-17 (₹)	2015-16 (₹)	
a) Reconciliation of opening and closing balances of Defined Benefit obligation			
Defined benefit obligation at beginning of the year	9,91,93,189	9,05,55,610	
Interest cost	70,92,615	66,97,818	
Current Service Cost	1,71,99,018	1,31,75,017	
Benefit paid	(47,66,581)	(77,72,067)	
Actuarial (gain) / loss	17,71,483	(34,63,189)	
Defined Benefit obligation at year end	12,04,89,724	9,91,93,189	
b) Reconciliation of opening and closing balances of fair value of plan assets			
Fair value of plan assets at beginning of the year	-	-	
Expected return on plan assets	-	-	
Employer contribution	-	-	
Actuarial gain / (loss)	-	-	
Benefits paid	(47,66,581)	(77,72,067)	
Fair value of plan assets at year end	(47,66,581)	(77,72,067)	
c) Reconciliation of fair value of assets and obligations			
Fair value of plan assets	-	-	
Present value of obligation	9,05,55,610	9,91,93,189	
Amount recognised in Balance Sheet-Asset / (Liabilities)	(9,05,55,610)	(9,91,93,189)	
Current Portion	1,33,93,909	1,10,65,661	
Non- Current Portion	10,70,95,815	8,81,27,528	
d) Expenses recognised during the year			
Current Service Cost	1,71,99,018	1,31,75,017	
Interest Cost	70,92,615	66,97,818	
Expected return on plan assets	-	-	
Actuarial (gain) / loss	17,71,483	(34,63,189)	
Net Cost debited to statement of profit and loss	2,60,63,116	1,64,09,646	
e) Broad categories of plan assets as a percentage of total assets			
Insurer managed funds	-	-	
f) Actuarial assumptions			
Mortality table (LIC)	IAL 2006-08 Ultimate	IAL 2006-08 Ultimate	
Attrition Rate	0% to 1%	0% to 1%	
Imputed Rate of Interest	7.30%-7.40%	7.70%-7.80%	
Salary Rise	8% to 15%	8%-12%	
Return on Plan Assets	N.A.	N.A.	
Remaining Working Life	10.43 years to 18.63 years	11.87 years to 19.69 years	
g) Actual return on plan assets	-	-	
h) Amounts for current and previous periods:			
Present value of obligation	12,04,89,724	9,91,93,189	9,05,55,610
Fair value of plan assets	-	-	-
Surplus / (Deficit)	(12,04,89,724)	(9,91,93,189)	(9,05,55,610)

Notes:

1. The estimates of rate is escalation in salary's considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the Actuary.
2. Since the liability is not funded, thereby information with regard to the plan assets has not been furnished. The estimates of rates of escalation in salary considered in actuarial valuation after taking into account inflation seniority, promotion and other relevant factors including supply and demand in the employment market.

23 Disclosure required under Section 186(4) of the Companies Act, 2013.

Particulars of Loans Given:

SL. NO.	LOAN GIVEN TO	OUTSTANDING BALANCE AS ON 31.03.2017 (₹)	PURPOSE OF LOAN
1	Hanumat Wires Udyog Private Limited	55,00,003/-	Purchase of machines
2	Lakshmi Extrusions Limited	Nil	Loan

24 During the year, the Company has valued the inventory of finished goods at 57% and semi-finished goods at 66% less on the price-list (As per price list dated 1st April, 2015) and special items have been valued at 22% less in the case of finished goods of the selling price and 31% less in case of semi-finished goods. The exact cost of each item is not ascertainable in case of finished goods and semi-finished goods in view of multiple sizes and nature of products. However, the management believes that its impact on financial statements is not likely to be material on adoption of actual cost vis-a-vis the Standard Costing adopted by the Company. The Company plans to review its standard costing system based on the overall cost data every year.

DESCRIPTION	2016-17 (₹)	2015-16 (₹)
25 C.I.F. VALUE OF IMPORTS		
Finished Goods/Semi Finished Goods	1,68,55,212	81,59,965
Raw Materials (Wire/ Wire rods)	28,14,138	1,67,43,271
Consumable stores and spare parts	1,74,68,510	1,78,27,835
Capital Goods	39,62,189	1,25,21,613
EARNINGS IN FOREIGN CURRENCY		
F.O.B. value of exports	7,34,67,117	30,40,42,653
EXPENDITURE IN FOREIGN CURRENCY		
Foreign Travelling	19,89,631	5,28,014
Royalty/ Technical know-how Fees	40,82,549	7,40,966
Repair to Machinery	-	99,064

Value of Imported/Indigenous Raw Materials and Consumable Stores and Spare Parts Consumed:

RAW MATERIALS CONSUMED	%	AMOUNT (₹)	%	AMOUNT (₹)
Imported	0.5%	36,74,437	6.0%	4,43,68,544
Indigenous	99.5%	78,60,10,772	94.0%	89,19,76,211
		78,96,85,209		93,63,44,755
Consumable stores and spare parts consumed				
Imported	22.7%	1,69,97,725	23.0%	1,36,61,308
Indigenous	77.3%	5,77,47,617	77.0%	4,88,63,053
		7,47,45,342		6,25,24,361

26. The Holding Company had made a provision of Rs. 18,06,164/- towards income tax liability for the financial year 2014-15 and recognised MAT credit entitlement towards the same. However, due to non payment of statutory dues before due date of filing of income tax return for the assessment year 2015-16 and resulting disallowances under section 40(ia) of the Income Tax Act, 1963, the Company has made an estimated provision of Rs. 2,50,00,000/- towards income tax liability on the said account.

27. The Holding Company, has changed its accounting policy of depreciation from written down value method to straight line method with respect to Dies and Tools in Plant-I & IV in the current financial year thereby writing back excess depreciation charged in earlier years amounting to Rs. 13,08,55,707/- and adjusting the same under the head "Other Income" in Note no.22 .

28. The Holding Company does not satisfy the criteria for spending on CSR activities as provided under section 135 of the Companies Act, 2013. Therefore no provision towards Corporate Social Responsibility (CSR) has been made.

29. The Holding Company, has changed the price list used for valuation of cost of the finished goods and work-in-progress considering the selling prices of finished goods mentioned in the revised price list as on 01.01.2015. The above change in price list has resulted in increase in closing value of work-in-progress by Rs. 1,61,05,076/- and of finished goods by Rs. 79,58,996/-, with total increase in cost of inventory by Rs. 2,40,64,072/-.

30 The Holding Company, has changed the accounting policy with regard to research and development expenses incurred during the year which have been amortized @ 20% per annum keeping in view future economic benefits to be generated in 5 financial years, including the financial year in which expenditure is incurred.

31 As per the transfer pricing norms prescribed under section 92 of the Income Tax Act, 1961, the Company is required to use certain specified methods in computing arm's length price of international transactions and specified domestic transactions between the associated enterprises and maintain prescribed information and documents relating to such transactions. The appropriate methods to be adopted will depend on the nature of transaction/ class of transaction, class of associated persons, functions performed and other factors, which have been prescribed. The Company is in the process of conducting a transfer pricing study for the current financial year. Accordingly, these financial statements do not include any adjustments for the transfer pricing implications, if any.

32 The Holding Company has adopted component accounting as required under schedule II of Companies Act, 2013 and AS 10 (Rev.), from 1st April, 2015. The Company has identified and determined cost of each component/part of the assets separately, if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining assets. However, no such component has been identified which is significant to the respective asset and has a useful life different from that of the remaining asset.

33 The Holding Company has taken various residential/commercial premises under cancellable operating leases. These lease agreements are normally renewed on expiry. There are no restrictions placed upon the Company by entering into these leases and there are no subleases. Lease payments recognized in the statement of profit and loss as an expense for the year is Rs. 66,66,733/-(previous year Rs. 70,54,373/-).

34 The Holding Company has also taken few commercial premises under non-cancellable operating leases. There are no restrictions placed upon the Company by entering into these leases and there are no subleases. Normally there are renewal and escalation clauses in these contracts. The total of future minimum lease payments in respect of such leases are as follows:

DESCRIPTION	GROUP AND ITS ASSOCIATES 31.03.2017 (₹)	JOINTLY CONTROLLED ENTITY LPSIBPL 18.04.2016 (₹)	CONSOLIDATED 31.03.2017 (₹)	CONSOLIDATED 31.03.2016 (₹)
(i) not later than one year	1,37,54,171	-	1,37,54,171	1,42,82,833
(ii) later than one year and not later than five years	1,37,40,652	-	1,37,40,652	1,57,40,552
(iii) later than five year	-	-	-	-
	2,74,94,823	-	2,74,94,823	3,00,23,385
Lease payments recognised in the statement of profit and loss is as under:				
Research and development expenses	1,29,32,831	-	1,29,32,831	1,29,79,478
Other expenses	18,00,000	-	18,00,000	18,00,000

35 The figures for the previous year has been regrouped/reclassified wherever necessary to make them comparable with those of the current year.

36 Figures have been rounded off to the nearest rupees upto two decimal places.

37 Note No. 1 to 34 form an integral part of the balance sheet and statement of profit and loss.

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached
For B. M. Chatrath & Co. LLP
Chartered Accountants
(LLPIN: AAJ0682)

For and on behalf of the Board of Directors of Lakshmi Precision Screws Limited

PLACE:
AUDITOR: NEW DELHI
BOARD: ROHTAK
DATED: 20TH JUNE, 2017

SD/-
BHARAT C. SWAIN
Partner
Membership No.501999

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

SD/-
DINESH KUMAR JAIN
Vice Chairman and
Managing Director
DIN: 00066363

SD/-
KANAI LAL GHORUI
Chief Financial
Officer

SD/-
SANTOSH SHARMA
Company Secretary

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**LAKSHMI PRECISION
SCREWS LTD.**

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**DESIGNED BY
ROOPALI JAIN**