



**Lakshmi Precision Screws Ltd.**

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



LPS/CSO/2016/

March 14, 2016

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

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

Company Code: **506079**

**LAKPRE**

Dear Sir,

**Sub. : Execution of Share Purchase Agreement pursuant to Special Resolution passed through the 3<sup>rd</sup> postal ballot of the Company pursuant to Regulation 30 read with clause 5 of Para B of Part A of Schedule III of Listing Regulation.**

The approval of the Members by Special Resolution through 3<sup>rd</sup> Postal Ballot Process was obtained on March 09, 2016 for **sale or transfer the entire investments of 49% in Equity shares of M/s. LPS Bossard Private Limited, Joint venture to any other related party i.e. Mr. Rajesh Jain & his associates, in which Mr. Rajesh Jain, Director hold majority of shareholding.**

Pursuant to aforesaid approval of the transaction, the Company has entered the Share Purchased Agreement with Purchasers of the Share i.e. Mr. Rajesh Jain & his Associates in which Mr. Rajesh Jain, holds majority of Shares (details of parties and others terms & conditions of the Share Purchase Agreement are brief as under, as per format specified in clause 5 of Para B of Part A of Schedule III of Listing Regulation, 2015:

<b>Name of Related Party</b>	<b>Mr. Rajesh Jain (his wife Smt. Sandhya Jain, Son Mr. Rahul Jain, his daughter in laws Smt. Samridhi Jain) and his associates M/s Sun Shares Trading &amp; Consultancy Private Limited, M/s. LPS Industrial Supplies Private Limited, in which Mr. Rajesh Jain, Director of the Company holds majority of</b>
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	<b>shareholding (collectively called as Purchasers).</b>
<b>Nature of Relationship and transaction</b>	The entity stake is controlled by Director(s) and relative(s) of Director(s), and transaction is Material related party transaction as per provision of Regulation 23 of SEBI(LODR), 2015 read with the provisions of Section 188 (1)(a) of the Companies Act, 2013.
<b>Nature, purpose, duration of the Contract and particulars of the Contract or arrangement</b>	Sale of entire stake investment of 49% in equity Shares of M/s. LPS Bossard Private Limited, Joint Venture Company between Bossard International AG, a company registered in Switzerland under the law of Switzerland and Lakshmi Precision Screws Limited, a listed Company registered in India under the provisions of the Companies Act, 1956(the Seller) to Purchasers as mentioned above, are interested by entering into Share Purchase Agreement dated March 10, 2016 for sell of investment as approved by the members of the Company.
<b>Significant Terms &amp; condition of Share Purchase Agreement</b>	<ul style="list-style-type: none"><li>• Purchase Price is Rs 40,18,00,000 [Forty crores eighteen lakhs only] which will be paid in one or more tranches in designated Account of the Seller.</li><li>• Pursuant to one of the terms &amp; conditions of the Share Purchase Agreement Mr. Lalit Kumar Jain(DIN:00061293) Director of LPS Bossard Private Limited had submitted his resignation with effect from March 10, 2016 to LPS Bossard Private Limited, which was acknowledged on the same date by Managing Director of LPS Bossard Private Limited.</li></ul>
<b>Value of Contract</b>	Rs 40,18,00,000/-
<b>Any advance payment, if any received for sell of Investment.</b>	On 24 <sup>th</sup> February 2016, Rs.23,78,17,213/-was transferred by the Purchasers to Seller in designated Account provided by the Seller. The remaining amount of Consideration will be paid by Purchaser soon.
<b>Whether all factors relevant to the contract have been considered, if not, please mention the details of factors not considered with reason for not considering those factors</b>	Yes





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Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length"	<p>Yes, the sale of entire stake of 49% in LPS Bossard Private Limited by the Company is falling under the purview of Material related party transaction as per Regulation 23 of SEBI (LODR) 2015, Section 188 of the Companies Act, 2013 and necessary approvals was obtained by the Company.</p> <p>Transaction Value is arrived at Rs. 401.80 million (i.e. Rupees 40.18 crores), based on discounted cash flow method as per the valuation report submitted by M/s. G. Jain Associates, Chartered Accountants (Membership No. 504941), an Independent Agency, which is at arm's length basis as per explanation of Section 188 of the Companies Act, 2013, and necessary approvals have been obtained.</p>
Any other information(s)	-

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

Santosh Kumar Sharma  
Company Secretary & Compliance Officer  
FCS-6817  
Plant-II, Opp. Northern Bye Pass,  
Hissar Road, Rohtak  
Encl.: As above.

