



**LAKSHMI PRECISION TOOLS LIMITED**

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54th Annual Report 2019 - 2020





## **LAKSHMI PRECISION TOOLS LIMITED**

CIN : U28939TZ1966PLC000559

### **BOARD OF DIRECTORS**

Smt. Nethra J.S. Kumar (DIN 00217906)

Sri. R.C.H. Reddy (DIN 00006184)

Sri. D. Senthilkumar (DIN 00006172)

Sri. Vedhanth Senthilkumar (DIN 08207030)

Sri. R. Mahendran (DIN 00004843)

### **AUDITORS**

M/s. S. Krishnamoorthy & Co.,  
Chartered Accountants, Coimbatore.

### **REGISTRARS & SHARE TRANSFER AGENTS**

M/s. S.K.D.C. Consultants Limited  
Kanapathy Towers, 3rd Floor,  
1391/A-1, Sathy Road,  
Ganapathy,  
Coimbatore - 641 006.  
Tel No. : 0422 - 4958995, 2539835 - 36  
E-mail : info@skdc-consultants.com

# LAKSHMI PRECISION TOOLS LIMITED

## REGISTERED OFFICE

504, Avinashi Road, Peelamedu Post  
Coimbatore - 641 004.

## ADMINISTRATIVE OFFICE AND WORKS

Arasur  
Sulur Taluk  
Coimbatore District - 641407.

## BANKERS

Indian Bank  
HDFC Bank Ltd.

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## LAKSHMI PRECISION TOOLS LIMITED

Registered Office : 504, Avinashi Road, Peelamedu Post, Coimbatore - 641 004.

CIN : U28939TZ1966PLC000559

Tel : 0422-6173500

E-mail : acctsec@lptindia.com Website : www.lptindia.com

### NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 54th Annual General Meeting of the Shareholders of Lakshmi Precision Tools Limited will be held on Friday, the 18th day of September, 2020 at 2.00 P.M (IST) through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") to transact the following business:-

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Annual Financial Statements including Statement of Profit and Loss, Cash Flow Statement for the financial year ended 31st March, 2020, the Balance Sheet as at that date, the Report of the Board of Directors and the Report of the Auditors thereon..
2. To appoint a Director in the place of Sri.D.Senthilkumar (DIN: 00006172), Director who retires by rotation and being eligible, offers himself for reappointment.

#### SPECIAL BUSINESS:

3. Alteration of the Object Clause of the Memorandum of Association of the Company.

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 read with the relevant rules made thereunder (including any statutory modification or re-enactment thereof, for the time being in force), and subject to necessary approvals, if any, as may be required in this regard from appropriate authorities, the consent of the members be and is hereby accorded to alter the Object Clause III (i) of the Memorandum of Association in the following manner:-

The following new sub-clause 4 be inserted after the present sub-clause 3.

"4. To carry on the business of trading, buy, sell, market, exchange, produce, manufacture, to act as contractors, sub-contractors and deal in any manner relating to polymer products, petrochemicals, Personal Protective Equipments, medical products, ferrous & non-ferrous metals and any other goods including industrial goods, consumer goods."

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be necessary and settle any/ all questions / matters arising in this regard, and to execute all such deeds, documents, agreements and writings as may be necessary for the purpose of giving effect to this Resolution.

Place : Coimbatore  
Date : August 14, 2020

By Order of the Board  
**NETHRA J.S.KUMAR**  
Chairperson  
(DIN:00217906)

#### NOTES:

1. THE EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 WITH RESPECT TO THE SPECIAL BUSINESS SET OUT IN THE NOTICE IS ANNEXED HERETO.

## LAKSHMI PRECISION TOOLS LIMITED

2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs has permitted holding of the Annual General Meeting ("AGM") through Video conference (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue, vide its circulars dated May 5, 2020, April 8, 2020 and April 13, 2020. In compliance with the provisions of the Companies Act, 2013 ("Act"), and MCA Circulars, the ensuing AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. Since the ensuing AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. In case of Joint Holders, the member whose name appears as First Holder in the order of names on the Register of Members of the Company will be entitled to vote. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
5. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to bk.scrutiniser@gmail.com with a copy marked to evoting@nsdl.co.in.
6. The Register of Members and share transfer books of the Company will remain closed from Saturday, the 12th September 2020 to Friday 18th September 2020 (both days inclusive) as per Section 91 of the Companies Act, 2013.
7. As per the requirements of the Companies Act, 2013 the Company has obtained dematerialisation facility for its shares with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). The shareholders holding the shares in the physical form can dematerialise their shares by following due process. As prescribed in the Companies Act, 2013 the shareholders holding shares in the physical form are not allowed to transfer the shares in physical form with effect from October 2018. However, transmission / transposition of shareholders name are allowed by following due process and documentation. The ISIN of the equity share of the Company is INE010Z01018.
8. Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updates of bank account details to their respective Depository Participant(s). Members whose shareholding is in the physical mode are requested to direct the above details to the Company's Registrar and Share Transfer Agents of the Company, M/s S.K.D.C. Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore-641006.
9. Members who wish to claim dividends, which remain unclaimed, are requested to correspond with Registrar and Share Transfer Agents of the Company. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Companies Act, 2013 be transferred to the Investor Education and Protection Fund. As per Section 124 of the Companies Act, 2013 all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to Investor Education and Protection Fund (IEPF) established under the Ministry of Corporate Affairs. Subsequently, the members shall be entitled to claim the shares from IEPF in accordance with procedure and on submission of documents as may be prescribed by IEPF



Authority from time to time. Hence, members are requested to encash the dividends which are unclaimed for the financial years 2012-13 to 2018-19.

10. Members who require any clarifications on accounts or operations of the Company are requested to write to the Company before 11th September 2020 (5.00 pm IST). The queries will be answered accordingly.
11. As per the green initiative taken by the Ministry of Corporate Affairs, the shareholders are advised to register their e-mail address with the Company in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in electronic form to enable the Company to serve documents in electronic form.
12. Pursuant to MCA General Circular No. 20/2020 dated 05th May, 2020, electronic copy of the AGM Notice and the Annual Report containing Financial Statements, Boards Report, Auditors Report and other documents is being sent only by email to members of the Company who have registered their e-mail id with their depository participants (for members holding shares in demat form) and to their e-mail id registered with the Registrar and Share Transfer Agent of the Company (for members holding shares in physical form). Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website [www.lptindia.com](http://www.lptindia.com)
13. As per the provisions of Section 72 of the Act, facility for making nominations is now available to Individual(s) holding shares in the Company. Members may obtain the Nomination Form from the Registrar and Share Transfer Agents of the Company. Members holding shares in electronic form have to approach their depository participants for completing the nomination formalities.
14. Brief profile, details of shareholding and Directors inter-se relationship of Directors seeking election/re-election as required under the Secretarial Standards are provided as Annexure to this notice.
15. Soft copies of the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members during the AGM.
16. Members may note that M/s. S. Krishnamoorthy & Co., Chartered Accountants, Coimbatore, (FRN: 001496S), the Statutory Auditors of the Company were appointed by the Shareholders at the 51st Annual General Meeting (AGM) held on 2nd August 2017, to hold office for a period of 5 years till the conclusion of AGM to be held during the year 2022, subject to ratification by the shareholders at every AGM. However, the Ministry of Corporate Affairs vide notification dated 7th May 2018 amended Section 139 of the Companies Act, 2013 by omitting the requirement of seeking ratification of the members for appointment of statutory auditors at every AGM. Accordingly, the original resolution appointing the Statutory Auditors was amended vide resolution approved by the Shareholders at their 52nd AGM held on 8th August, 2018 to remove the requirement for ratification of the appointment of auditors by the shareholders at every AGM. Hence, no resolution is being proposed for ratification of appointment of Statutory Auditors at this Annual General Meeting.
17. The results of the remote e-voting and e-voting during the Annual General Meeting will be announced by the Chairperson or person authorized by the Chairperson within 48 hours from the date of conclusion of the Annual General Meeting at the Registered Office of the Company and a copy of the same will be posted on the website of the Company

#### **VOTING THROUGH ELECTRONIC MEANS**

In compliance with the provisions of section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, (including any statutory modifications, clarifications, exemptions or re-enactment thereof for the time being in force), the Company is pleased to provide the members the facility to exercise their votes for all the resolutions detailed in the Notice of the 54th Annual General Meeting scheduled to be held on Friday, the 18th September, 2020 at 2.00 p.m. by electronic means and the business may be transacted

## LAKSHMI PRECISION TOOLS LIMITED

through remote e-voting and e-voting system during the AGM. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting, and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

The Company has engaged the services of NSDL as the authorized agency to provide the remote e-voting and e-voting during the AGM as per instructions given below:

### **Vote by Remote e-Voting and e-voting during the AGM**

Sri. B. Krishnamoorthi, Chartered Accountant, having address at "Kanapathy Towers" III Floor, No. 1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641006 is appointed as Scrutinizer by the Board of Directors to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.

Any person, who acquires Shares of the Company and becomes Member of the Company after sending the Notice and holding Shares as of the cut-off date, may obtain login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he / she is already registered with NSDL to remote e-voting then he / she can use his / her existing user ID and password for casting vote. Any person who ceases to be the member of the Company as on cut-off date and in receipt of this notice, shall treat this AGM Notice for information purpose only.

The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the AGM Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

The AGM Notice can also be accessed from the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

### **The instructions for the members for remote e-voting are as under:**

The remote e-voting period begins at 09.00 AM on 15.09.2020 and ends on 17.09.2020 at 05.00 PM. The shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 11.09.2020 may cast their vote through remote e-voting. The remote e-voting module shall be disabled by NSDL thereafter.

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.





4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is :</b>
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will ask you to change your password.
- c) How to retrieve your 'initial password'?
  - i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

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9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

## General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [bk.scrutiniser@gmail.com](mailto:bk.scrutiniser@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request to Ms. Saritha Mote at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self- attested scanned copy of Aadhar Card) by email to [green@skdc-consultants.com](mailto:green@skdc-consultants.com).

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self- attested scanned copy of Aadhar Card) to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

## THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.



4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views or ask questions during the AGM (held through VC/OAVM) may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [acctsec@lptindia.com](mailto:acctsec@lptindia.com) from 7th September 2020 (9:00 a.m. IST) to 11th September 2020 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Place : Coimbatore  
Date : August 14, 2020

By Order of the Board  
**NETHRA J.S.KUMAR**  
Chairperson  
(DIN:00217906)

**Explanatory Statement pursuant to section 102 of the Companies Act, 2013**

**Item No:3**

The Company proposes to insert a new sub clause to the existing main object clause of Memorandum of Association of the Company in view to explore new avenues/ products considering the impact on present business / operations of the Company due to the COVID 19 pandemic.

The Board of Directors of the Company on August 14, 2020 approved the insertion of new sub clause 4 in the existing main object clause of the Memorandum of Association of the Company after the existing sub clause 3.

Pursuant to Section 13 of the Companies Act, 2013, alteration of the Memorandum of Association of the Company requires consent of the Members by way of special resolution. Hence the necessary resolution has been set out in Item No. 3 of the Notice for the approval of the members.

The above alteration would also be subject to the approval of the Registrar of Companies, Coimbatore, Tamil Nadu.

A copy of Memorandum of Association of the Company as on date together with the proposed alteration is available for inspection by the members at the Registered Office of the Company during normal business hours on working days up to the date of the meeting and the same is also available in the website of the Company 'www.lptindia.com'.

The Board recommends the resolution set out in Item No. 3 of the Notice.

None of the Directors and the Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at item no. 3 of the Notice.

# LAKSHMI PRECISION TOOLS LIMITED

## Annexure to Notice of AGM

### Profile of Directors seeking appointment / re-appointment:

**Sri D.Senthilkumar (DIN: 00006172 )**

Date of Birth / Nationality: 02.12.1967/ Indian

Date of appointment in the Board: 22.03.1997

Sri D.Senthilkumar aged 52 years holds a Bachelors Degree in Mechanical Engineering and Master's Degree in Textile Technology. He is having rich experience in Managing Spinning Mills in all its facets such as Production, Marketing, Finance etc.,

He holds Directorships in the following companies:

Shri Ramalinga Builders Limited	Shri Ramalinga Mills Limited
Lakshmi Electrical Drives Private Limited	Supreme Dairy Products India Private Limited
Harshni Textiles Private Limited	Ramalinga Exports Limited
Ramlakshmi Agro Plantations Private Limited	Ramlakshmi Agro Farms Private Limited
Ramlakshmi Holdings Private Limited	Integrated Electrical Controls India Private Limited
Lakshmi Precision Tools Limited	Ramlakshmi Plantations Private Limited
Lakshmi Electrical Control Systems Limited	

### Membership in Committees

Name of the Company	Name of Committee	Whether Chairman or Member
Lakshmi Electrical Control Systems Limited	Corporate Social Responsibility Committee	Chairman
	Stakeholders' Relationship Committee	Member
Harshni Textiles Pvt Limited	Audit Committee	Chairman
	Nomination and Remuneration Committee	Chairman
Lakshmi Electrical Drives Pvt Limited	Corporate Social Responsibility Committee	Chairman
Lakshmi Precision Tools Ltd.	Stakeholders' Relationship Committee	Member
	Corporate Social Responsibility Committee	Member

No.of Shares held in the Company: Nil

No. of Shares held in Subsidiary Company: NA

Terms and conditions of appointment / re-appointment: He is proposed to re-appointed as a Director (Non-executive) on retirement by rotation. He shall be liable to retire by rotation.

Remuneration paid for the financial year: Nil. Only sitting fees is paid for attending the meetings of the Board of Directors. The details of the sitting fees and commission paid is provided in MGT 9.

Remuneration proposed to be paid: Sitting fees for attending the meetings of the Board of Directors and commission if any. The Board recommends the resolution set out in item no 2 of the Notice.

Number of Board meetings attended during the year: 5

Directors' inter-se relationship: None of the Directors / Key Managerial Person / Manager of the Company is related to Sri D.Senthilkumar except Smt Nethra J.S.Kumar as wife and Sri Vedhanth Senthilkumar as son.

Place : Coimbatore

Date : August 14, 2020

By Order of the Board

**NETHRA J.S.KUMAR**

Chairperson

(DIN:00217906)



## LAKSHMI PRECISION TOOLS LIMITED

CIN: U28939TZ1966PLC000559

Registered Office:504, Avinashi Road, Peelamedu Post,Coimbatore - 641 004.

Tel:0422-6173500

Email:acctsec@lptindia.com

Website:www.lptindia.com

### DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors of your company are pleased to present the 54th (Fifty Fourth) Annual Report on the business and commercial operations of the Company along with the summary of financial statements for the year ended 31st March, 2020.

### THE STATE OF AFFAIRS OF THE COMPANY

( Amount in ₹)

Particulars	Current Year 2019-2020	Previous Year 2018-2019
Revenue from Operations	49,09,90,394	66,37,93,834
Other income	13,57,931	30,99,138
Profit/(Loss) before Finance Cost and Depreciation & Amortisation	(2,01,99,917)	3,72,10,059
Less: Finance Cost	65,68,420	8,05,170
Depreciation & Amortisation	1,77,49,725	1,45,14,912
Profit/(Loss) Before Tax and exceptional items	(4,45,18,725)	2,18,89,977
Add: Exceptional Items	1,24,498	14,17,040
Less: Provisions for Tax	(1,05,78,034)	32,45,838
Profit/Loss After Tax	(3,38,15,530)	2,00,61,179

### SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2020 was ₹ 3,89,73,940/-. During the year under review, the Company has not issued any further shares.

### DIVIDEND

The Board has not recommended any dividend for the financial year ended on 31st March, 2020 in order to conserve resources for future business requirements.

### TRANSFER TO RESERVES

The Company has not transferred any amount to the General Reserve during the year under review. However, the current year loss of ₹ 3,38,15,530/- has been adjusted against the Surplus in the Profit and Loss account of the Company.

### OPERATIONS

During the year under review, the Company has achieved a turnover of ₹ 4,923 Lakhs (2018-19: ₹ 6,669 Lakhs) resulting in a Loss of ₹ 443.94 Lakhs before tax (2018-19: Profit before Tax ₹ 233.07 Lakhs). During the year under review the total revenue has decreased by ₹ 1746 Lakhs over the previous year.

There is no change in line of the business of the Company.

# LAKSHMI PRECISION TOOLS LIMITED

## EXPORTS

During the year under review the Company has achieved an export turnover as indicated below:

(Amount in ₹)

S.No	Particulars	FY 2019-20	FY 2018-19	Increase/ (Decrease) by %
1	Flyer Components	9,632	88,000	(89.05)
2	Machinery Spares	1,60,28,514	1,91,08,890	(16.12)
	Total Exports	1,60,38,146	1,91,96,890	(16.45)

## RESEARCH AND DEVELOPMENT

The Research and Development efforts of the Company are focused on:

1. Developing Eco-friendly, sustainable, energy efficient, low carbon foot print technologies.
2. Developing Technological products by innovative way for Engineering and Industrial applications.
3. Developing Products at optimal cost.

## INDUSTRIAL RELATIONS

Relationship with employees was cordial throughout the financial year.

## EXTRACTS OF ANNUAL RETURN

As per requirements of provisions of the Companies Act, 2013, the extract of annual return in the prescribed Form MGT 9 is annexed hereto as Annexure 1 forming part of the report.

## BOARD MEETINGS CONDUCTED DURING THE PERIOD UNDER REVIEW

The Company had conducted five (5) Board meetings on 12th April 2019, 29th May 2019, 7th August 2019, 1st November 2019 and 7th February 2020 and Two (2) Stakeholders Relationship Committee (SRC) meetings on 5th August 2019 and 6th February 2020 and one (1) Corporate Social Responsibility Committee (CSR) meeting on 6th February 2020 during the period under review.

Name of the Directors	Attendance in Board meeting (No. of board meeting(s) held during the financial year : 5	Attendance in SRC meeting (No. of SRC meeting(s) held during the financial year : 2	Attendance in CSR meeting (No. of CSR meeting(s) held during the financial year : 1
Smt. Nethra J.S.Kumar	5	2	1
Sri. R.C.H. Reddy	5	NA	NA
Sri. R. Mahendran	5	NA	1
Sri. D. Senthilkumar	5	2	1
Sri. Vedhanth Senthilkumar	5	NA	NA
Sri. R. Sathishkumar	2 (appointed on 01.11.2019)	NA	NA



## **DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of Section 134 of the Companies Act, 2013 the Directors, confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures;
- b. have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- c. have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. have prepared the annual accounts on a going concern basis;
- e. have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f. have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **NO FRAUDS REPORTED BY STATUTORY AUDITORS**

There is no instance of frauds reported by the statutory auditors of the Company for the financial year under review under sub Section (12) of Section 143 of the Companies Act, 2013.

## **DECLARATION OF INDEPENDENT DIRECTORS**

The provision of Section 149 pertaining to the appointment of Independent Directors does not apply to our Company.

## **COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND OTHER MATTERS PROVIDED UNDER SECTION 178(3) OF THE COMPANIES ACT, 2013.**

The provision of Section 178 (1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

## **COMMENTS ON AUDITORS' REPORT**

There are no qualifications, reservations or adverse remarks made by M/s. S. Krishnamoorthy & Co., Chartered Accountants, Statutory Auditors, in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company

## **PARTICULARS OF LOANS/GUARANTEE/INVESTMENTS**

The Company has not given any loans or guarantees covered under the provisions of Section 186 of the Companies Act, 2013 during the year under review.

The details of the investments made in previous years by the Company are given in the notes to the financial statements.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The transactions entered by the Company with the related parties during the financial year 2019-20 are in the ordinary course of business and at arm's length basis. The particulars of material related party transactions is provided in the form AOC 2 and annexed to the Boards' Report as Annexure 2.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

Due to outbreak of COVID 19 pandemic and based on the directives of the Government of India, Government of Tamil Nadu, operations of the Company was suspended on 24th March 2020 and resumed on 07th May 2020

## LAKSHMI PRECISION TOOLS LIMITED

in phased manner with minimal workforce. This has impacted the turnover and profitability of the Company.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTFLOW

The disclosures under Rule 8(3) of the Companies (Accounts) Rules, 2014 are as under:

#### CONSERVATION OF ENERGY

S.No.	Particulars	Related Disclosures
(i)	The steps taken or impact on conservation of energy	(1) Implementation of the measures of switching off the machineries, lights, office equipment during food break and interval times have resulted in energy saving. (2) The Company is constantly reviewing further measures to reduce energy consumption.
(ii)	The steps taken by the company for utilising alternate sources of energy	NIL
(iii)	The capital investment on energy conservation equipments	NIL

#### TECHNOLOGY ABSORPTION

S.No.	Particulars	Disclosures
(i)	The efforts made towards technology absorption;	Adoption of process integration and low cost automation in manufacturing process.
(ii)	The benefits derived like productivity improvement, cost reduction, product development or import substitution;	(i) Productivity improvement by alternate method, change in process and set-up time. (ii) Cost reduction by alternate Suppliers & methods. (iii) The Company constantly pursuing the process of new products and components development.
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): (a) the details of technology imported (b) the year of import (c) whether the technology has been fully absorbed (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	NIL
(iv)	The expenditure incurred on Research and Development	NIL

#### FOREIGN EXCHANGE OUTGO AND EARNINGS

Foreign Exchange earned	1,60,38,146
Foreign Exchange used	21,05,692





## **STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

The Company does not have any risk management policy. However the Company is exposed to the risk of price fluctuation of raw material as well as finished goods. The Company proactively manages this risk through better inventory management coupled with robust marketing strategy which mitigates the commodity price risk.

## **DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company has constituted a CSR committee of Board of Directors and has adopted a CSR Policy. The same is posted in the Company's website [www.lptindia.com](http://www.lptindia.com). The Committee consist of three directors viz., Smt. Nethra J.S.Kumar, Sri. D.Senthilkumar, and Sri.R.Mahendran. CSR Committee Meeting was held on 06.02.2020. A report in prescribed format detailing the CSR spend for the financial year 2019-20 is attached herewith as Annexure 3 forming a part of this report.

## **LOAN FROM DIRECTOR**

During the year under review the Company obtained unsecured loan of Rs. 1 Crore from Smt. Nethra J.S. Kumar, Chairperson and repaid the same in compliance of the provisions of the Companies Act, 2013.

## **ANNUAL EVALUATION OF THE BOARD ON ITS OWN PERFORMANCE AND OF THE INDIVIDUAL DIRECTORS**

The Company has not done any evaluation of the Board or of the Individual Directors as the said provisions are not applicable.

## **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint venture or Associate Company.

## **DEPOSITS**

Since the Company has not accepted any fixed deposit covered under Chapter V of the Companies Act, 2013, there are no deposits remaining unclaimed or unpaid as on 31st March, 2020 and accordingly, the question of default in repayment of deposits or payment of interest thereon during the year does not arise.

## **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE**

There is no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

## **SECRETARIAL STANDARDS**

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and such the systems are adequate and operating effectively. The Company has adhered with the applicable Secretarial Standards issued by The Institute of Company Secretaries of India.

## **INTERNAL FINANCIAL CONTROL**

The Company has implemented and evaluated the Internal Financial Controls which provide a reasonable assurance.

The Directors confirm that the Internal Financial Controls (IFC) are adequate with respect to the operations of the Company. A Report of Auditors pursuant to Section 143(3)(i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Controls is annexed with the Audit Report.

## **DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM**

The Company was not required to constitute an Audit Committee of the Board as the provisions of Section 177 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 are not applicable to the Company.

The Company is not required to establish a vigil mechanism since it does not satisfy the conditions prescribed under Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and hence, disclosure regarding the details of such mechanism in this report is not applicable

# LAKSHMI PRECISION TOOLS LIMITED

## **DIRECTORS:**

### **RE-APPOINTMENT OF RETIRING DIRECTORS**

Sri.D.Senthilkumar, (DIN: 00006172), Director who retires by rotation at the ensuing Annual General Meeting, being eligible, offers himself for reappointment.

### **APPOINTMENT / RESIGNATION OF DIRECTOR**

Sri. Vedhanth Senthil Kumar (DIN: 08207030) was appointed as a Director of the Company at the Annual General Meeting held on 7th August 2019.

Sri.Rajalakshmanan Satishkumar (DIN: 08457460) was appointed by the Board of Directors as an Additional Director of the Company with effect from 1st November 2019. He has subsequently resigned from the Board of the Company with effect from 6th March 2020.

### **STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR**

The Company is not required to appoint Independent Directors and hence disclosure regarding their integrity, expertise and experience (including the proficiency) does not arise.

### **STATUTORY AUDITORS**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s S.Krishnamoorthy & Co., Chartered Accountants, the Statutory Auditors of the Company, hold office from the financial year 2017-18 to 2021-22 and up to the conclusion of the Annual General Meeting to be held in the year 2022.

### **PARTICULARS OF EMPLOYEES**

The provisions of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 does not apply to the Company.

### **COST RECORDS**

Pursuant to the provisions of Section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Company was required to maintain cost records. Accordingly, the company has duly made and maintained the cost records as mandated by the Central Government.

### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

As per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee. During the year 2019-20, no complaint was received before the committee.

### **INVESTOR EDUCATION AND PROTECTION FUND**

The Company has transferred the equity shares and dividend, in respect of which dividend has not been claimed by the members for seven consecutive years or more to the Investor Education and Protection Fund Authority (IEPF) during the financial year 2019-2020. Details of shares transferred have been uploaded on the website of the Company.

### **ACKNOWLEDGEMENTS**

The Directors thank the Customers, Bankers, Vendors, Shareholders and other Stakeholders for their continued support and patronage.

The Directors wish to place on record their appreciation for the cooperation and contribution made by the employees at all levels towards the performance of the Company.

For and on behalf of the Board

Place : Coimbatore  
Date : June 24, 2020

**NETHRA J.S.KUMAR**  
Chairperson  
(DIN:00217906)



**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

**as on the financial year ended 31st March, 2020**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

CIN	U28939TZ1966PLC000559
Registration Date	30.03.1966
Name of the Company	Lakshmi Precision Tools Limited
Category / Sub-Category of the Company	Company limited by shares / Non-Govt Company
Address of the Registered office and contact details	504, Avinashi Road, Peelamedu Post, Coimbatore - 641 004, Tamilnadu, India Ph : 0422-4310243
Whether listed company	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. S.K.D.C. Consultants Ltd. Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641 006, Tamilnadu, India Tel no. : 0422 - 4958995, 2539835-36, E-mail : info@skdc-consultants.com

**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:-

Sl. No.	Name and Description of main products / services	NIC Code of the product/services	% to total turnover of the company
1	Control Panel boxes	8538	21.00
2	Textile machines spares	8448	36.00
3	ATM safe box	8473	18.00

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary Associate	% of shares held	Applicable Section
1	Lakshmi Electrical Drives Private Limited 504, Avinashi Road, Peelamedu Post Coimbatore - 641 004	U31200TZ1983PTC001258	Holding	49.43	2(46)

# LAKSHMI PRECISION TOOLS LIMITED

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### i) Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year				No of Shares held at the end of the year				% of change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1050	448105	449155	11.524	51300	417580	468880	12.031	0.507
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	2839132	2839132	72.847	-	2839132	2839132	72.85	0.000
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):</b>	<b>1050</b>	<b>3287237</b>	<b>3288287</b>	<b>84.371</b>	<b>51300</b>	<b>3256712</b>	<b>3308012</b>	<b>84.88</b>	<b>0.507</b>
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>1050</b>	<b>3287237</b>	<b>3288287</b>	<b>84.371</b>	<b>51300</b>	<b>3256712</b>	<b>3308012</b>	<b>84.88</b>	<b>0.507</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	200	200	0.005	-	200	200	0.005	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)									
State finance corporation	-	34900	34900	0.895	-	34900	34900	0.895	-
<b>Sub-total (B)(1):</b>	<b>-</b>	<b>35100</b>	<b>35100</b>	<b>0.900</b>	<b>-</b>	<b>35100</b>	<b>35100</b>	<b>0.900</b>	<b>-</b>
<b>2. Non- Institutions</b>									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	10000	2025	12025	0.309	10500	1925	12425	0.319	0.010
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	39474	420884	460358	11.813	84095	361613	445708	11.436	-0.377
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	23625	28500	52125	1.337	23625	15000	38625	0.991	-0.346
c) Others(specify)									
i) Directors & their Relatives	-	-	-	-	-	-	-	-	-
ii) Foreign Nationals	-	-	-	-	-	-	-	-	-
iii) Non Resident Indians	-	-	-	-	-	-	-	-	-
iv) Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
v) Clearing Members	-	-	-	-	-	-	-	-	-
iv) Hindu Undivided Families	-	-	-	-	1400	-	1400	0.036	0.036
Inv.Education and Protection Fund Auth.	49499	-	49499	1.270	56124	0	56124	1.440	0.170
<b>Sub-total (B)(2):</b>	<b>122598</b>	<b>451409</b>	<b>574007</b>	<b>14.729</b>	<b>175744</b>	<b>378538</b>	<b>554282</b>	<b>14.222</b>	<b>-0.507</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>122598</b>	<b>486509</b>	<b>609107</b>	<b>15.629</b>	<b>175744</b>	<b>413638</b>	<b>589382</b>	<b>15.122</b>	<b>-0.507</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A + B + C)</b>	<b>123648</b>	<b>3773746</b>	<b>3897394</b>	<b>100.00</b>	<b>227044</b>	<b>3670350</b>	<b>3897394</b>	<b>100.00</b>	<b>0.000</b>



**(ii) Shareholding of Promoters**

S.No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	M/s. Lakshmi Electrical Drives Private Ltd	1926529	49.431	-	1926529	49.431	-	-
2	Smt. Nethra J.S. Kumar	418630	10.741	-	438355	11.247	-	0.506
3	M/s.Integrated Electrical Controls India Private Ltd	912603	23.416	-	912603	23.416	-	-
4	Smt. J.Rajyalakshmi	30525	0.783	-	30525	0.783	-	-
	Total	3288287	84.371	-	3308012	84.877	-	0.506

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

S.No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Smt.Nethra J.S. Kumar				
	At the beginning of the year	418630	10.742		
	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):				
	17.05.2019 - shares increase by way of transfer	16100	0.41	434730	11.15
	25.10.2019 - shares increase by way of transfer	2625	0.07	437355	11.22
	22.11.2019 - shares increase by way of transfer	1000	0.03	438355	11.25
	At the End of the year			438355	11.25

Note: No change in shareholding of other promoters

# LAKSHMI PRECISION TOOLS LIMITED

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Investor Education and Protection Fund				
	At the beginning of the year	49499	1.27	49499	1.27
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	18.10.2019 – Transfer to IEPF A/c	6625	0.17	6625	0.17
	At the end of the year	56124	1.44	56124	1.44
2.	The Tamilnadu Industrial Investment Corporation Limited				
	At the beginning of the year	34900	0.90	34900	0.90
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No change during the year			
	At the end of the year	34900	0.90	34900	0.90
3.	Smt. Tara Sam				
	At the beginning of the year	15000	0.39	15000	0.39
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No change during the year			
	At the end of the year	15000	0.39	15000	0.39
4.	Smt.Bhavana Govindbhai Desai				
	At the beginning of the year	12750	0.33	12750	0.33
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No change during the year			
	At the end of the year	12750	0.33	12750	0.33
5.	Sri R. Venkatarangappan				
	At the beginning of the year	10875	0.27	10875	0.27
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No change during the year			
	At the end of the year	10875	0.27	10875	0.27

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6.	Hela Holding Pvt.Ltd (Formerly known as Amber Equitable Investment Pvt. Ltd.)				
	At the beginning of the year	10000	0.26	10000	0.26
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No change during the year			
	At the end of the year	10000	0.26	10000	0.26
7.	Sri N. Murugappan				
	At the beginning of the year	8925	0.23	8925	0.23
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No change during the year			
	At the end of the year	8925	0.23	8925	0.23
8.	Sri Ve. Periannan				
	At the beginning of the year	7875	0.20	7875	0.20
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No change during the year			
	At the end of the year	7875	0.20	7875	0.20
9	Pandicherril Pathrose Zibi Jose				
	At the beginning of the year	4500	0.12	4500	0.12
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	26.04.2019 – shares increase by way of transfer	900	0.02	5400	0.14
	03.05.2019 – shares increase by way of transfer	900	0.02	6300	0.16
	31.05.2019 – shares increase by way of transfer	350	0.01	6650	0.17
	30.08.2019 – shares increase by way of transfer	300	0.01	6950	0.18
	08.11.2019 – shares increase by way of transfer	75	0.00	7025	0.18
	At the end of the year			7025	0.18
10	Smt A.M.P.A.Valliammai Achi				
	At the beginning of the year	6000	0.15	6000	0.15
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No change during the year			
	At the end of the year	6000	0.15	6000	0.15

# LAKSHMI PRECISION TOOLS LIMITED

## (v) Shareholding of Directors and Key Managerial Personnel:

S. No.	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>Share Holding of Directors :</b>				
	Smt.Nethra J S Kumar At the beginning of the year	418630	10.74	418630	10.74
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweatequity etc):				
	17.05.2019 - shares increase by way of transfer	16100	0.41	434730	11.15
	25.10.2019 - shares increase by way of transfer	2625	0.07	437355	11.22
	22.11.2019 - shares increase by way of transfer	1000	0.03	438355	11.25
	At the End of the year			438355	11.25
<b>2</b>	<b>Shareholding of Key Managerial Personnel :</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the end of the year	-	-	-	-

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment Amount in ₹

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	4,20,91,703	-	-	4,20,91,703
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i + ii + iii)</b>	<b>4,20,91,703</b>	<b>-</b>	<b>-</b>	<b>4,20,91,703</b>
<b>Change in Indebtedness during the financial year</b>				
- Addition	5,63,76,469	-	-	5,63,76,469
- Reduction	-	-	-	-
<b>Net Change</b>	<b>9,84,68,172</b>	<b>-</b>	<b>-</b>	<b>9,84,68,172</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	9,84,68,172	-	-	9,84,68,172
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i + ii + iii)</b>	<b>9,84,68,172</b>	<b>-</b>	<b>-</b>	<b>9,84,68,172</b>





## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Amount in ₹

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	Gross salary		
	(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	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission		
	- as % of profit	-	-
	- others, specify...	-	-
5.	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act	-	-

### B. Remuneration to other directors:

#### 1. Independent Directors

Amount in ₹

S. No.	Particulars of Remuneration	Name of Directors	Total Amount
a)	Fee for attending board & committee meetings	-	-
b)	Commission	-	-
c)	Others, please specify	-	-
	Total (1)	-	-

#### 2. Other Non-Executive Directors

S. No.	Particulars of Remuneration	Name of Directors			
		Smt. Nethra J.S. Kumar	Sri. R.C.H. Reddy	Sri. D. Senthilkumar	
a)	Fee for attending board & committee meetings	70,000	40,000	70,000	
b)	Commission	4,99,210	50,000	50,000	
c)	Others, please specify	-	-	-	
		Sri. R. Mahendran	Sri.Vedhanth Senthilkumar	Sri. R. Sathishkumar	Total
a)	Fee for attending board & committee meetings	50,000	40,000	20,000	2,90,000
b)	Commission	50,000	50,000	-	6,99,210
c)	Others, please specify	-	-	-	-
	Total (2)				9,89,210
	Total (B) = (1 + 2)				9,89,210

# LAKSHMI PRECISION TOOLS LIMITED

## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

S. No.	Particulars of Remuneration	Key Managerial Personnel	
		Total	
1.	Gross salary (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	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission – as % of profit – others, specify...	-	-
5.	Others, please specify	-	-
	Total	-	-

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty Punishment Compounding			None		
<b>B. DIRECTORS</b>					
Penalty Punishment Compounding			None		
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty Punishment Compounding			None		

For and on behalf of the Board

**Nethra J.S. Kumar**  
Chairperson  
(DIN: 00217906)

Place : Coimbatore  
Date : June 24, 2020



**FORM No. AOC - 2**

**Annexure 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 in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis
  - a) Name(s) of the related party and nature of relationship : Nil
  - b) Nature of contracts/arrangements/transactions: NA
  - c) Duration of the contracts/arrangements/transactions : NA
  - d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
  - e) Justification for entering into such contracts or arrangements or transactions: NA
  - f) Date(s) of approval by the Board: NA
  - g) Amount paid as advances, if any: NA
  - h) Date on which the special resolution was passed in general meeting required under first proviso to section 188: NA
2. Details of material contracts or arrangement or transactions at arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Lakshmi Electrical Control Systems Limited	Purchase or sale of machinery, spares, components, parts, accessories, materials and goods, rendering and availing of Services.	1st April, 2015 to 31st March, 2020	Price charged for the transactions shall be based on the prevailing market price and shall not be less than the price charged for such transactions to unrelated third Party customers having such dealings or transactions with them.	05.02.2015	-
Lakshmi Machine Works Limited	Purchase or sale of machinery, spares, components, parts, accessories, materials and goods, rendering and availing of Services.	1st April, 2015 to 31st March, 2020	Price charged for the transactions shall be based on the prevailing market price and shall not be less than the price charged for such transactions to unrelated third party customers having such dealings or transactions with them.	05.02.2015	-

For and on behalf of the Board  
**Nethra J.S. Kumar**  
Chairperson  
(DIN: 00217906)

Place : Coimbatore  
Date : June 24, 2020

## CORPORATE SOCIAL RESPONSIBILITY

1.	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	The Company believes that socially responsible business practice is an integral part of an organization's effort at ensuring good Corporate Governance. Corporate Social Responsibility (CSR) is therefore a tool through which an organization reflects and pledges its commitment to support and participate in community building efforts.  CSR Policy is available in the Web link: <a href="http://lptindia.com/pdf/csr-policy.pdf">http://lptindia.com/pdf/csr-policy.pdf</a>
2.	The Composition of the CSR Committee.	Smt.Nethra J.S.Kumar - Chairperson Sri.D.Senthilkumar - Member Sri.R.Mahendran - Member
3.	Average net profit of the company for last three financial years.	₹ 384.21 Lakhs
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above).	₹ 7.68 Lakhs
5.	Details of CSR spent during the financial year 2019-20 (a) Total amount spent for the financial year 2019-20 (b) Amount un spent , if any	₹ 7.70 Lakhs  Nil

(Contd..)



(c) Manner in which the amount spent during the financial year is detailed below.

₹ in Lakhs

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs was undertaken.	Amount outlay (budget) project or programs wise.	Amount spent on the projects or programs. Sub-heads: 1) Direct expenditure on projects or programs 2) Over heads.	Cumulative Expenditure upto the reporting Period.	Amount spent Direct or through implementing Agency.
1	Contribution made to South Indian Art and Heritage Conservation Trust	Clause v of Schedule VII	All over India	7.70	7.70	7.70	Through the implementing agency.
<b>Total</b>						<b>7.70</b>	

6. In case the company has failed to spend the 2% of the average net profit of the last three financial years or any part thereof, the company shall provide the reason for not spending the amount in its board report - Not applicable.

The implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Place : Coimbatore  
Date : June 24, 2020

**Nethra J.S. Kumar**  
Chairperson & Chairperson-CSR Committee  
(DIN: 00217906)

# LAKSHMI PRECISION TOOLS LIMITED

## INDEPENDENT AUDITORS' REPORT

To the Members of Lakshmi Precision Tools Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying Financial Statements of LAKSHMI PRECISION TOOLS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended and other accounting principles generally accepted in India :

- a) In case of Balance Sheet, of the state of affairs of the Company as at March 31, 2020;
- b) In case of Statement of Profit and Loss, the loss for the year ended on that date; and
- c) In case of Cash Flow Statement, of the cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no Key Audit Matters to be communicated in our report.

#### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.



## **Responsibilities of Management and those charged with governance for the financial statements**

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards prescribed under section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### **Responsibilities for Audit of Financial Statements**

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

## LAKSHMI PRECISION TOOLS LIMITED

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### 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 Companies Act, 2013, we give in the Annexure "B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit 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 purposes of our audit.
  - b) 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 the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the specified Accounting Standard under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:





In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except those amount which are kept on hold for court cases.

Place : Coimbatore  
Date : June 24, 2020

For **S. KRISHNAMOORTHY & CO.,**  
Chartered Accountants  
Regn. No. 001496S

**K. RAGHU**  
Partner, Auditor  
Membership No.011178  
UDIN : 20011178AAAACL6906

## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2(f) of Report on Other Legal and Regulatory Requirements)

### **Report on the Internal Financial Controls Over Financial Reporting 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 TOOLS LIMITED (the "Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company 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 (the "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 respective 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.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 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.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal financial 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 ICAI.

Place : Coimbatore

Date : June 24, 2020

For S. KRISHNAMOORTHY & CO.,  
Chartered Accountants  
Regn. No. 001496S

**K. RAGHU**

Partner, Auditor

Membership No.011178

UDIN : 20011178AAAACL6906

# LAKSHMI PRECISION TOOLS LIMITED

## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of the Independent Auditors' Report to the members of the company on the Financial Statements for the year ended on 31st March 2020).

According to the information and explanations sought by us and given by the Company and the books and records examined by us during the course of our Audit and to the best of our knowledge and belief we report the following:

- (i) In respect of fixed assets,
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets of the company have been physically verified by the management during the year at reasonable intervals having regard to size of the company and nature of its assets. No material discrepancies were noticed on such verification.
  - (c) The title deeds of all the immovable properties of the company shown under the Fixed Assets schedule are held in the name of the company.
- (ii) The stocks of finished goods, stores, spares and raw materials of the Company have been physically verified by the management during the year at reasonable intervals. In our opinion the frequency of such verification is reasonable and no material discrepancies were noticed.
- (iii) The Company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The company has not granted any loan to directors or to any other person in whom the director is interested or given any guarantee or provided any security in connection with any loan taken by the director or such other person as contemplated in section 185 of the Act. The company has also not given any loan or made any investment as contemplated under section 186 of the Act.
- (v) The company has not accepted any deposits to which the provisions of sec.73 to 76 or any other relevant provisions of the act and the rules framed there under and the directions issued by the RBI are applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the company pursuant to the Rules made by the central government for the maintenance of cost records u/s. 148 of the act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or not.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Duty of customs, Duty of excise, Cess, Goods and Service Tax and any other statutory dues with the appropriate authorities and  
  
No undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Duty of customs, Duty of excise, Cess, Goods and Service Tax and any other statutory dues were in arrears as at 31.03.2020 for a period of more than six months from the date they became payable.



- (b) There are no disputed dues of Income tax or Sales tax or Service tax or duty of customs or duty of excise or value added tax or Cess or Goods and Service Tax except the following:

Name of Statute	Nature of Dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax and Interest	4,26,746	AY 2015-16	Commissioner of Income Tax (Appeals)
Employees' State Insurance Act, 1948	ESI contribution and interest	1,16,545	04/2005 - 03/2007	Employees' State Insurance Corporation

- (viii) The company has not defaulted in the repayment of dues to bank. There are no borrowings from financial institution or Government. Company has not issued any debentures.
- (ix) The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion, the money raised by way of Term loans during the year were applied for the purpose for which those are raised.
- (x) No material frauds by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) The company has paid/provided for managerial remuneration in accordance with the requisite approval mandated by the provisions of section 197 read with Schedule V of the act.
- (xii) The company is not a Nidhi company and therefore this clause is not applicable to the company.
- (xiii) All transactions with the related parties are in compliance with section 188 of the Act. Details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. Further, the provisions of Sec. 177 of the act are not applicable as the company is an unlisted public company.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) The company has not entered into non cash transactions with directors or persons connected with them.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place : Coimbatore  
Date : June 24, 2020

For S. KRISHNAMOORTHY & CO.,  
Chartered Accountants  
Regn. No. 001496S  
**K. RAGHU**  
Partner, Auditor  
Membership No.011178  
UDIN : 20011178AAAACL6906

# LAKSHMI PRECISION TOOLS LIMITED

## Balance Sheet as at 31st March, 2020

(Amount in ₹)

Particulars	Note No	As at 31.03.2020	As at 31.03.2019
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	3,89,73,940	3,89,73,940
Reserves and Surplus	2	15,67,42,728	19,99,55,288
		<b>19,57,16,668</b>	<b>23,89,29,228</b>
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	3	2,54,72,009	-
Deferred Tax Liabilities (Net)	4	42,94,677	1,59,28,091
Other Long Term Liabilities	5	29,687	29,687
		<b>2,97,96,373</b>	<b>1,59,57,778</b>
<b>Current Liabilities</b>			
Short-Term Borrowings	6	6,64,93,994	4,20,91,703
Trade Payables			
(i) Due to Micro & Small Enterprises	7	76,19,272	29,88,459
(ii) Due to Others		13,94,08,227	14,87,89,676
Other Current Liabilities	8	1,01,68,240	45,43,237
Short-Term Provisions	9	44,56,363	19,31,133
		<b>22,81,46,096</b>	<b>20,03,44,208</b>
<b>Total</b>		<b>45,36,59,137</b>	<b>45,52,31,214</b>
<b>II ASSETS</b>			
<b>Non-Current Assets</b>			
(i) Property, Plant and Equipment	10	18,35,01,070	15,23,50,097
(ii) Intangible Assets		-	2,31,004
(iii) Capital Work-in-Progress		4,06,66,985	1,95,24,075
Non-Current Investments	11	1,48,308	1,48,308
Long Term Loans and Advances	12	80,13,078	3,08,89,833
		<b>23,23,29,441</b>	<b>20,31,43,317</b>
<b>Current Assets</b>			
Inventories	13	7,90,29,277	8,02,00,652
Trade Receivables	14	13,32,53,060	14,79,17,865
Cash and Cash Equivalents	15	22,99,458	1,74,26,336
Short-Term Loans and Advances	16	60,05,628	56,08,490
Other Current Assets	17	7,42,273	9,34,554
		<b>22,13,29,696</b>	<b>25,20,87,897</b>
<b>Total</b>		<b>45,36,59,137</b>	<b>45,52,31,214</b>

See accompanying notes to the Financial Statements

As per our report of even date attached.  
For S. KRISHNAMOORTHY & CO.  
Chartered Accountants  
Firm Regn. No.001496S

**K. RAGHU**

Partner, Auditors  
Membership No. 011178

For and on behalf of Board of Directors

**NETHRA.J.S.KUMAR**  
Chairperson  
(DIN : 00217906)

**D.SENTHILKUMAR**  
Director  
(DIN : 00006172)

Place : Coimbatore  
Date : June 24, 2020



## Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2020

(Amount in ₹)

Particulars	Note No	Year ended 31.03.2020	Year ended 31.03.2019
<b>Income:</b>			
Revenue From Operations	18	49,09,90,394	66,37,93,834
Other Income	19	13,57,931	30,99,138
<b>Total Revenue</b>		<b>49,23,48,325</b>	<b>66,68,92,972</b>
<b>Expenses:</b>			
Cost of Materials Consumed	20	25,20,83,250	32,82,62,859
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	21	(93,33,071)	(15,55,909)
Employee benefits expense	22	10,28,97,968	10,28,29,565
Financial costs	23	65,68,420	8,05,170
Depreciation and Amortization Expenses	10	1,77,49,725	1,45,14,912
Other Expenses	24	16,69,00,095	20,01,46,398
<b>Total Expenses</b>		<b>53,68,66,387</b>	<b>64,50,02,995</b>
Profit before Exceptional and extraordinary items and tax		(4,45,18,062)	2,18,89,977
Exceptional Items (Ref Notes on Accounts - K)		1,24,498	14,17,040
Profit Before Extraordinary Items and Tax		(4,43,93,564)	2,33,07,017
Extraordinary items		-	-
<b>Profit Before Tax</b>		<b>(4,43,93,564)</b>	<b>2,33,07,017</b>
Tax Expense:			
(1) Current Tax		-	50,00,000
(2) Prior year Tax		10,55,380	5,57,519
(3) Deferred Tax Liability (Reversed)/Provided		(1,16,33,414)	(23,11,681)
Profit from the period from continuing operations		(3,38,15,530)	2,00,61,179
Profit from the period from discontinuing operations (after tax)		-	-
<b>Profit for the period</b>		<b>(3,38,15,530)</b>	<b>2,00,61,179</b>
Earning per equity share of Rs 10/- each			
(1) Basic		(8.68)	5.15
(2) Diluted		(8.68)	5.15

See accompanying notes to the Financial Statements

As per our report of even date attached.  
For S. KRISHNAMOORTHY & CO.  
Chartered Accountants  
Firm Regn. No.001496S

**K. RAGHU**  
Partner, Auditors  
Membership No. 011178

For and on behalf of Board of Directors

**NETHRA.J.S.KUMAR**      **D.SENTHILKUMAR**  
Chairperson                      Director  
(DIN : 00217906)              (DIN : 00006172)

Place : Coimbatore  
Date : June 24, 2020

# LAKSHMI PRECISION TOOLS LIMITED

## CASH FLOW STATEMENT

(Amount in ₹)

Particulars	2019 - 2020	2018 - 2019
<b>A Cash flow from operating activities:</b>		
Net Profit before tax, exceptional and extra ordinary items	(4,45,18,062)	2,18,89,977
Adjustments for:		
Depreciation	1,77,49,725	1,45,14,912
Interest income	(2,59,734)	(16,49,845)
Interest expense	65,68,420	8,05,170
Net (Profit)/Loss on Sale of Fixed Assets	-	(21,417)
	<u>2,40,58,411</u>	<u>1,36,48,820</u>
Operating profit before working capital changes	(2,04,59,651)	3,55,38,797
Adjustments for operating assets and Liabilities		
Trade & Other receivables	3,87,09,056	(5,24,60,547)
Inventories	11,71,375	(1,66,95,430)
Trade and other payables	<u>33,99,597</u>	<u>2,46,54,426</u>
	<u>4,32,80,028</u>	<u>(4,45,01,551)</u>
Cash generated from operations	2,28,20,377	(89,62,754)
Direct taxes paid	(24,27,733)	(86,16,334)
Cash flow before exceptional items	<u>2,03,92,644</u>	<u>(1,75,79,088)</u>
Add: Exceptional Items	1,24,498	14,17,040
	<u>2,05,17,142</u>	<u>(1,61,62,048)</u>
	(A)	
<b>B Cash flow from investing activities:</b>		
Purchase of fixed assets	(4,86,69,695)	(90,67,383)
Capital Work in progress	(2,11,42,910)	(1,95,24,075)
Sale of fixed assets	-	1,50,404
Interest received	2,59,734	14,83,564
(Increase)/Decrease in Bank Balances not considered as Cash and Cash Equivalents	<u>1,49,33,236</u>	<u>(53,01,704)</u>
Net cash used in investing activities	<u>(5,46,19,636)</u>	<u>(3,22,59,195)</u>
	(B)	
<b>C Cash flow from financing activities</b>		
Borrowings	2,54,72,009	-
Repayment of short term borrowings	2,44,02,291	4,20,91,703
Dividend and Dividend Distribution Tax Paid	(93,97,030)	(1,40,95,544)
Interest Paid	<u>(65,68,420)</u>	<u>(8,05,170)</u>
Net cash used in financing activities	<u>3,39,08,850</u>	<u>2,71,90,989</u>
	(C)	
<b>Net increase/(decrease) in cash and cash equivalents</b>		
<b>(A) + (B) + (C)</b>	<b>(1,93,644)</b>	<b>(2,12,30,254)</b>
Cash and cash equivalents ( Opening balance)	7,86,244	2,20,16,497
Cash and cash equivalents ( Closing balance)	5,92,600	7,86,244

See accompanying notes to the Financial Statements

As per our report of even date attached.  
For S. KRISHNAMOORTHY & CO.  
Chartered Accountants  
Firm Regn. No.001496S

**K. RAGHU**

Partner, Auditors  
Membership No. 011178

For and on behalf of Board of Directors

**NETHRA.J.S.KUMAR**  
Chairperson  
(DIN : 00217906)

**D.SENTHILKUMAR**  
Director  
(DIN : 00006172)

Place : Coimbatore

Date : June 24, 2020





Notes to Balance Sheet as at 31st March, 2020

(Amount in ₹)

Note No	Particulars	As at 31.03.2020	As at 31.03.2019
<b>I SHAREHOLDERS' FUNDS</b>			
<b>1 Share Capital</b>			
<b>a Authorised Share Capital:</b>			
	60,00,000 Number of Equity Shares of Rs.10/- each	<u>6,00,00,000</u>	<u>6,00,00,000</u>
	(Previous year : 60,00,000 number of Equity shares of Rs.10/- each fully paid)		
<b>b Issued, Subscribed and Fully Paid up Share Capital:</b>			
	38,97,394 number of Equity shares of Rs.10 each fully paid	<u>3,89,73,940</u>	<u>3,89,73,940</u>
	(Previous year : 38,97,394 number of Equity shares of Rs.10/- each fully paid)		
c	Reconciliation of number of shares outstanding : No. of Shares	No. of Shares	
	Opening Balance	38,97,394	38,97,394
	Changes during the year	Nil	Nil
	Closing Balance	38,97,394	38,97,394
d	Shareholders holding more than 5% shares:		
	Lakshmi Electrical Drives Limited	19,26,529	19,26,529
	Integrated Electrical Controls India Limited	9,12,603	9,12,403
	Nethra. J. S. Kumar	<u>4,38,355</u>	<u>4,18,630</u>
<b>2 Reserves and Surplus</b>			
a	Capital Reserve		
	Opening Balance	6,000	6,000
b	Capital Redemption Reserve		
	Opening Balance	15,26,060	15,26,060
c	Security Premium Reserve		
	Opening Balance	24,21,820	24,21,820
d	General Reserve		
	Opening Balance	2,32,45,000	2,32,45,000
e	State Capital Subsidy	15,00,000	15,00,000
f	Surplus		
	Balance in Profit & Loss statement		
	Opening balance	17,12,56,408	16,52,90,773
	Less:(Loss) / Profit during the year	(3,38,15,530)	2,00,61,179
	Less: Dividend Paid	77,94,788	1,16,92,182
	Less: Dividend Distribution Tax Paid	<u>16,02,242</u>	<u>24,03,362</u>
	Closing balance	<u>12,80,43,848</u>	<u>17,12,56,408</u>
		<u>15,67,42,728</u>	<u>19,99,55,288</u>

# LAKSHMI PRECISION TOOLS LIMITED

Notes to Balance Sheet as at 31st March, 2020

(Amount in ₹)

Note No	Particulars	As at 31.03.2020	As at 31.03.2019
<b>II Non Current Liabilities</b>			
<b>3 Long Term Borrowings</b>			
	Secured Loans - From Banks		
a.	South Indian Bank Ltd- Car Loan	1,33,48,455	-
	Hypothecation of Jaguar Land Rover Range Vouge TDV 6 LWB - Term Loan is repayable in 48 monthly installments of Rs.5,02,000/- Interest Rate 9.45%		
b.	Indian Bank- Term Loan	1,21,23,554	-
	Limit- Rs.1.41 Crores, Term Loan 50 % on Civil Works for Sheet Metal Building, repayable in 60 EMI commencing from June 2020, monthly installment of Rs. 2,92,693 Interest rate 9%		
		<b>2,54,72,009</b>	<b>-</b>
<b>4 Deferred Tax Liability</b>			
	Opening balance	1,59,28,091	1,82,39,772
	Less: Reversed during the year	1,16,33,414	23,11,681
	Closing Balance	<b>42,94,677</b>	<b>1,59,28,091</b>
<b>5 Other Long Term Liabilities</b>			
a	Others		
	Dealership Deposit	19,687	19,687
	Security Deposit - Sub Contractor	10,000	10,000
		<b>29,687</b>	<b>29,687</b>
<b>III Current Liabilities</b>			
<b>6 Short Term Borrowings</b>			
a	Secured Loans - From Banks		
	Indian Bank	4,77,79,441	3,10,45,022
	Limit - Rs. 5 Crores		
	Security - Secured by paripassu charge on the entire Fixed Assets & Current Assets of the Company viz. inventories & Book debts along with HDFC Bank Limited.		
	Period & Amount of default : Nil		
	HDFC Bank Ltd	1,87,14,553	1,10,46,681
	Limit - Rs. 3.50 Crores		
	Security - Secured by paripassu charge on the entire Fixed Assets & Current Assets of the Company viz. inventories & Book debts along with Indian Bank.		
	Period & Amount of default : Nil		
		<b>6,64,93,994</b>	<b>4,20,91,703</b>
<b>7 Trade Payables</b>			
a	Due to Micro & Small Enterprises	76,19,272	29,88,459
b	Due to Others	13,94,08,227	14,87,89,676
		<b>14,70,27,499</b>	<b>15,17,78,135</b>


**Notes to Balance Sheet as at 31st March, 2020**

(Amount in ₹)

Note No	Particulars	As at 31.03.2020	As at 31.03.2019
<b>8</b>	<b>Other Current Liabilities</b>		
a	Current maturities of long term debt	65,02,169	-
b	Unpaid Dividend	17,06,858	16,40,094
c	Other Payables		
	Statutory Liabilities Payable	10,96,641	18,16,487
	Advance from Customers	8,62,572	10,86,656
		<b>1,01,68,240</b>	<b>45,43,237</b>
<b>9</b>	<b>Short Term Provisions</b>		
a	Provision for Employee Benefits		
	Leave Encashment	15,79,168	16,71,546
	Gratuity	28,77,195	2,59,587
		<b>44,56,363</b>	<b>19,31,133</b>

**10 PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND CAPITAL WORK IN PROGRESS**

	Gross Block				Depreciation				Net Block	
	Cost as on 01.04.2019	For the period		Cost as on 31.03.2020	Up to 31.03.2019	For the period		Up to 31.03.2020	As on 31.03.2020	As on 31.03.2019
		Additions	Deletions			Additions	Withdrawals			
<b>A. Property, Plants &amp; Equipments</b>										
i LAND	13,46,612	1,92,66,638	-	2,06,13,250	-	-	-	-	2,06,13,250	13,46,612
ii BUILDING	6,31,87,932	-	-	6,31,87,932	2,09,09,866	18,45,596	-	2,27,55,462	4,04,32,470	4,22,78,066
iii PLANT & MACHINERY	20,98,13,430	9,60,349	-	21,07,73,779	11,04,24,761	1,00,30,768	-	12,04,55,529	9,03,18,250	9,93,88,669
iv FURNITURE & FITTINGS	1,43,50,994	14,99,920	-	1,58,50,914	85,42,508	9,79,775	-	95,22,283	63,28,631	58,08,486
v VEHICLES	24,54,446	2,65,46,759	-	2,90,01,205	12,55,348	33,13,322	-	45,68,670	2,44,32,535	11,99,098
vi COMPUTER	1,17,28,543	3,96,029	-	1,21,24,572	93,99,377	13,49,260	-	1,07,48,637	13,75,935	23,29,165
<b>Total A</b>	<b>30,28,81,957</b>	<b>4,86,69,695</b>	<b>-</b>	<b>35,15,51,652</b>	<b>15,05,31,860</b>	<b>1,75,18,721</b>	<b>-</b>	<b>16,80,50,581</b>	<b>18,35,01,070</b>	<b>15,23,50,097</b>
<b>B. Intangible Assets</b>										
i COMPUTER SOFTWARE	23,77,331	-	-	23,77,331	21,46,327	2,31,004	-	23,77,331	-	2,31,004
ii TECH KNOW-HOW	35,23,476	-	-	35,23,476	35,23,476	-	-	35,23,476	-	-
<b>Total B</b>	<b>59,00,807</b>	<b>-</b>	<b>-</b>	<b>59,00,807</b>	<b>56,69,803</b>	<b>2,31,004</b>	<b>-</b>	<b>59,00,807</b>	<b>-</b>	<b>2,31,004</b>
Capital work in Progress	1,95,24,075	2,21,00,874	9,57,964	4,06,66,985	-	-	-	-	4,06,66,985	1,95,24,075
<b>Total (A+B)</b>	<b>30,87,82,764</b>	<b>4,86,69,695</b>	<b>-</b>	<b>35,74,52,459</b>	<b>15,62,01,663</b>	<b>1,77,49,725</b>	<b>-</b>	<b>17,39,51,388</b>	<b>18,35,01,070</b>	<b>15,25,81,101</b>
Previous year	30,09,09,893	90,67,384	11,94,513	30,87,82,764	14,27,52,278	1,45,14,912	10,65,527	15,62,01,663	15,25,81,101	15,81,57,615

(Amount in ₹)

Note No	Particulars	As at 31.03.2020	As at 31.03.2019
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**IV NON-CURRENT ASSETS**
**11 Non-Current Investments**

a	Other Investments		
	Investment in Equity Instruments - Quoted		
	Lakshmi Machine Works Limited		
	15000 Equity Shares of Rs.10/- each fully paid	1,43,308	1,43,308
	Bannari Amman Sugars Limited		
	500 Equity Shares of Rs.10/- each fully paid	5,000	5,000
		<b>1,48,308</b>	<b>1,48,308</b>

# LAKSHMI PRECISION TOOLS LIMITED

Notes to Balance Sheet as at 31st March, 2020

(Amount in ₹)

Note No	Particulars	As at 31.03.2020	As at 31.03.2019
	<i>Aggregate value of Quoted Investments</i>		
	Cost	1,48,308	1,48,308
	Market Value	3,49,46,900	9,21,63,250
<b>12</b>	<b>Long Term Loans and Advances</b>		
	Unsecured, Considered Good		
a	Capital Advances	-	2,20,00,000
b	Security Deposits	45,07,650	39,97,048
c	Income Tax Refund Due	29,96,946	16,24,593
d	ESI Deposit Under Protest	76,613	76,613
e	Advance Income tax paid	-	75,00,000
	Add: Tax Deducted at Source	4,31,869	6,91,579
	Less: Provision for Tax	-	50,00,000
		<u>4,31,869</u>	<u>31,91,579</u>
		<b>80,13,078</b>	<b>3,08,89,833</b>
<b>V</b>	<b>Current Assets</b>		
<b>13</b>	<b>Inventories</b>		
a	Raw materials valued at Cost	2,58,69,212	3,60,48,385
b	Work in Progress Valued at Estimated Cost	4,64,68,446	3,71,35,375
c	Stores & Spares Valued at Cost	66,91,619	70,16,892
		<u>7,90,29,277</u>	<u>8,02,00,652</u>
<b>14</b>	<b>Trade Receivables</b>		
	Unsecured, Considered Good		
a	Outstanding for a period exceeding 6 months	3,03,031	3,53,031
b	Others:		
	from Related parties	7,32,86,130	7,87,40,391
	from Others	5,96,63,899	6,88,24,443
		<u>13,32,53,060</u>	<u>14,79,17,865</u>
<b>15</b>	<b>Cash and Cash Equivalents</b>		
a	Cash and Bank Balances		
	Balance with Banks		
	In Current Account with		
	-Indian overseas Bank	3,14,335	5,66,676
	-State Bank of India	-	-
	-Indian Bank Cash Credit	-	-
	-HDFC Bank Cash Credit	-	-
	-Employees Gratuity Fund A/c	1,28,924	9,510
	Cash in Hand	1,49,341	2,10,056
		<u>5,92,600</u>	<u>7,86,242</u>

**Notes to Balance Sheet as at 31st March, 2020**

(Amount in ₹)

Note No	Particulars	As at 31.03.2020	As at 31.03.2019
b	Other Bank Balances		
	- HDFC Bank Fixed Deposit		
	Maturity period not exceeding 12 months	-	1,50,00,000
	Maturity period exceeding 12 months	-	-
	- Unpaid Dividend Account	17,06,858	16,40,094
		<b>17,06,858</b>	<b>1,66,40,094</b>
		<b>22,99,458</b>	<b>1,74,26,336</b>
<b>16</b>	<b>Short-Term Loans and Advances</b>		
	Unsecured and Considered Good		
a	Others		
	Advance Paid to Suppliers	38,37,819	24,02,452
	Goods and Service Tax Input tax credit	-	2,75,227
	Prepaid Expenses	12,62,496	27,09,153
	Staff & Other Advance	9,05,313	2,21,658
		<b>60,05,628</b>	<b>56,08,490</b>
<b>17</b>	<b>Other Current Assets</b>		
a	Interest Receivable	-	1,92,281
b	Stipend Receivable	7,42,273	7,42,273
		<b>7,42,273</b>	<b>9,34,554</b>

See accompanying notes to the Financial Statements

As per our report of even date attached.

For S. KRISHNAMOORTHY &amp; CO.

Chartered Accountants

Firm Regn. No.001496S

**K. RAGHU**

Partner, Auditors

Membership No. 011178

Place : Coimbatore

Date : June 24, 2020

For and on behalf of Board of Directors

**NETHRA.J.S.KUMAR**

Chairperson

(DIN : 00217906)

**D.SENTHILKUMAR**

Director

(DIN : 00006172)

# LAKSHMI PRECISION TOOLS LIMITED

## Notes to Statement of Profit and Loss for the year ended 31st March, 2020

(Amount in ₹)

Note No	Particulars	Year ended 31.03.2020	Year ended 31.03.2019
<b>18</b>	<b>Revenue from operations</b>		
a	Sale of Products	47,36,53,761	63,69,25,084
b	Sale of Services		
	Job Work Receipts	1,71,01,821	2,66,15,044
c	Other operating revenues		
	Export Incentive	2,34,812	2,53,706
		<b>49,09,90,394</b>	<b>66,37,93,834</b>
<b>19</b>	<b>Other Income</b>		
a	Interest Income	2,59,734	16,49,845
b	Dividend Income	5,30,000	6,05,000
c	Rent Receipts	44,544	44,544
d	Profit on Sale of Assets	-	1,21,993
e	Net Gain from Foreign Currency Transactions	5,23,653	2,61,498
f	Miscellaneous Income	-	4,16,258
		<b>13,57,931</b>	<b>30,99,138</b>
<b>20</b>	<b>Cost of Materials consumed</b>		
	Opening Stock of Raw Materials & Components	3,60,48,385	2,06,66,730
	Purchases of Raw Materials & Components	23,81,35,100	33,72,26,786
	Freight Inwards	37,68,977	64,17,728
		<b>27,79,52,462</b>	<b>36,43,11,244</b>
	Less: Closing stock of Raw Material & Components	2,58,69,212	3,60,48,385
		<b>25,20,83,250</b>	<b>32,82,62,859</b>
<b>21</b>	<b>Changes in Inventories of Finished Goods, Work in progress &amp; Stock in Trade</b>		
	Opening Stock	3,71,35,375	3,55,79,466
	Less: Closing Stock	4,64,68,446	3,71,35,375
		<b>(93,33,071)</b>	<b>(15,55,909)</b>
<b>22</b>	<b>Employee Benefits Expense</b>		
	Salaries & Wages	8,14,85,436	8,51,18,775
	Bonus	70,97,684	63,97,128
	Performance Pay	3,76,844	5,01,588
	Leave Encashment	12,01,523	-
	Contribution to Gratuity Fund	30,74,296	7,72,963
	Contribution to Provident fund & Super annuation fund	47,04,478	46,69,426
	ESI Management Contribution	3,61,654	6,85,143
	Welfare expenses	45,96,053	46,84,542
		<b>10,28,97,968</b>	<b>10,28,29,565</b>



**Notes to Statement of Profit and Loss for the year ended 31st March, 2020**

(Amount in ₹)

Note No	Particulars	Year ended 31.03.2020	Year ended 31.03.2019
<b>23</b>	<b>Finance Costs</b>		
	Interest Expenses	61,10,304	6,46,062
	Bank charges	4,58,116	1,59,108
		<u>65,68,420</u>	<u>8,05,170</u>
<b>24</b>	<b>Other Expenses</b>		
	Consumption of stores and spare parts:		
	Packing wood Purchased	93,67,048	1,18,53,493
	Stores Consumed		
	Opening Stock	70,16,892	72,59,026
	Add: Purchases	2,83,50,945	4,49,99,641
	Less: Closing stock	<u>66,91,619</u>	<u>70,16,892</u>
		2,86,76,218	4,52,41,775
		<u>3,80,43,266</u>	<u>5,70,95,268</u>
	Power and fuel	1,95,26,070	2,35,17,308
	Job work charges	5,81,69,567	7,21,12,780
	Repairs to:		
	Buildings	1,19,05,725	55,72,081
	Machinery	1,41,14,530	1,70,69,590
	Others	<u>1,84,039</u>	<u>3,27,169</u>
		2,62,04,294	2,29,68,840
	Insurance	5,40,730	2,70,488
	Rates and taxes, excluding taxes on income.	15,56,302	14,44,188
	Printing & Stationery	6,05,498	9,40,508
	Travelling Expenses	68,18,216	78,79,086
	Sales Promotion Expenses	8,72,124	10,87,720
	Selling Expenses	9,02,187	18,94,212
	Exhibition Expenses	42,30,336	-
	<b>Payment to auditors</b>		
	Audit fees	85,000	65,000
	Taxation matters	60,000	85,000
	Other Services	<u>32,000</u>	<u>10,000</u>
		1,77,000	1,60,000
	Legal & professional charges	9,81,469	20,53,055
	Miscellaneous Expenses	75,03,036	77,49,269
	CSR Expenditure	7,70,000	9,73,676
		<u>16,69,00,095</u>	<u>20,01,46,398</u>

# LAKSHMI PRECISION TOOLS LIMITED

## Notes to Statement of Profit and Loss for the year ended 31st March, 2020

(Amount in ₹)

Note No	Particulars	Year ended 31.03.2020	Year ended 31.03.2019
<b>Disclosed in Notes on Accounts</b>			
Exceptional Items			
a) Prior Period Incomes		-	62,181
b) Prior Period Expenses		-	-
c) Excess Provision of Leave encashment of Prior Year		-	13,54,859
d) Excess Provision of Bonus Prior Year		1,24,498	-
		<u>1,24,498</u>	<u>14,17,040</u>

See accompanying notes to the Financial Statements

As per our report of even date attached.  
For S. KRISHNAMOORTHY & CO.  
Chartered Accountants  
Firm Regn. No.001496S

**K. RAGHU**  
Partner, Auditors  
Membership No. 011178

For and on behalf of Board of Directors

**NETHRA.J.S.KUMAR**      **D.SENTHILKUMAR**  
Chairperson                      Director  
(DIN : 00217906)                (DIN : 00006172)

Place : Coimbatore  
Date : June 24, 2020



## Notes to the financial statements for the year ended 31st March, 2020

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### 25. SIGNIFICANT ACCOUNTING POLICIES

#### a. Basis of Accounting and Preparation of Financial Statements

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The Financial Statements have been prepared on Accrual Basis under the Historical Cost Convention. The Accounting Policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

#### b. Use of estimates

The preparation of the Financial Statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of Assets and Liabilities (including Contingent Liabilities) and the reported Income and Expenses during the Year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

#### c. Inventories

Inventories are valued at the lower of cost and the net realizable value after providing for obsolescence and other losses, where considered necessary. Costs of Raw Materials, Stores and Spares are determined on weighted average basis. Costs of work-in-progress and finished goods comprise of cost of purchases, cost of conversion, and other costs of production.

#### d. Cash and Cash Equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand Deposits with Banks. Cash equivalents are Short-Term Balances (with an original Maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

#### e. Depreciation and Amortization

Depreciation on fixed assets has been provided on straight line method by adopting the useful life and residual value specified in Schedule II to the Companies Act, 2013 for the respective assets. In respect of additions during the year, depreciation has been provided on pro rata basis with reference to period of use.

Accumulated depreciation relating to prior years in respect of assets where the useful life is completed has been adjusted in surplus brought forward from earlier years.

#### f. Revenue Recognition

##### Sale of Goods

Sales are recognized, Net of Returns and Trade Discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude Goods and Services Tax.

#### g. Other income

Interest income is accounted on Accrual Basis. Dividend income is accounted for when the right to receive it is established.

## Notes to the financial statements for the year ended 31st March, 2020 (Contd...)

### **h. Fixed Assets**

#### **Tangible fixed assets**

Fixed Assets are carried at cost less Accumulated Depreciation and Impairment Losses, if any. The cost of Fixed Assets includes interest on borrowings attributable to acquisition of qualifying Fixed Assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Machinery spares which can be used only in connection with an item of Fixed Asset and whose use is expected to be irregular are capitalized and depreciated over the useful life of the Principal item of the relevant assets. Subsequent expenditure relating to Fixed Assets is capitalized only if such expenditure results in an Increase in the future benefits from such Asset beyond its previously assessed standard of Performance.

Fixed Assets acquired and put to use for Project purpose are capitalized and Depreciation thereon is included in the Project Cost till commissioning of the Project.

#### **Capital Work-in-Progress:**

Projects under which Assets are not ready for their intended use and other Capital Work-in-Progress are carried at cost, comprising Direct Cost, related Incidental Expenses and attributable Interest.

### **i. Foreign Currency Transactions and Translations**

#### **Initial Recognition**

Foreign Currency Transactions are recorded at the Prevailing Exchange Rates at the time of Initial Recognition.

#### **On Settlement**

Exchange differences arising on Final Settlement are adjusted and recognized as Income or Expense in the Profit and Loss Account. Outstanding Balances of Monetary items denominated in Foreign Currency are re-stated at closing Exchange Rates and the difference adjusted to Income or Expense in the Profit and Loss Account.

### **j. Investments**

Investments being Long Term are stated at Cost inclusive of all expenses Incidental to acquisition. Provision for Diminution in their Market Value is made only if such decline is other than temporary.

### **k. Employee Benefits**

Employee Benefits include Provident Fund, Superannuation Fund, Gratuity Fund and Compensated absences.

#### **Defined Contribution Plans**

The Company's Contribution to Provident Fund and Superannuation Fund are considered as defined Contribution plans and are charged as an Expense as they fall due based on the amount of contribution required to be made.

#### **Defined Benefit Plans**

For Defined Benefit Plans in the form of Gratuity Fund and post-employment Medical Benefits, the cost of providing benefits is determined using the Projected Unit Credit method, with Actuarial Valuations being carried out at each Balance Sheet date. Actuarial Gains and Losses are recognized in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a Straight-Line basis over the average period until the benefits become vested. The retirement Benefit Obligation Recognized in the Balance Sheet represents the Present Value of the defined Benefit Obligation as adjusted for unrecognized Past Service Cost, as reduced by the fair value of Scheme Assets. Any Asset resulting from this calculation is limited to Past Service Cost, plus the Present Value of Available Refunds and reductions in future contributions to the schemes.



## Notes forming part of accounts as at 31st March, 2020 (Contd...)

### Short-Term Employee Benefits

The undiscounted amount of Short-Term Employee Benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service .

#### **l. Borrowing Costs**

Borrowing Costs include Interest. Amortization of Ancillary Costs incurred and exchange differences arising from Foreign Currency Borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying Assets are charged to the Statement of Profit and Loss over the tenure of the Loan. Borrowing Costs, allocated to and Utilized for Qualifying Assets, pertaining to the period from commencement of activities relating to Construction / Development of the Qualifying Asset up to the date of capitalization of such asset is added to the cost of the assets. Capitalization of Borrowing Costs is suspended and charged to the Statement of Profit and Loss during extended periods when active Development Activity on the Qualifying Assets is interrupted.

#### **m. Segment Reporting**

The Company identifies Primary Segments based on the dominant source, nature of risks and returns and the internal Organization and Management Structure. The Operating Segments are the Segments for which separate financial information is available and for which Operating Profit/Loss amounts are evaluated regularly by the Executive Management in deciding how to allocate resources and in Assessing Performance. The Accounting Policies adopted for Segment Reporting are in line with the Accounting Policies of the Company. Segment Revenue, Segment Expenses, Segment Assets and Segment Liabilities have been identified to Segments on the basis of their relationship to the operating activities of the segment. Inter-Segment Revenue is accounted on the basis of transactions which are primarily determined based on Market / Fair value factors.

Revenue, Expenses, Assets and Liabilities which relate to the Company as a whole and are not allocable to Segments on reasonable basis have been included under "Unallocated Revenue / Expenses / Assets / Liabilities".

#### **n. Earnings Per Share**

Basic Earnings 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.

#### **o. Taxes On Income**

Current Tax is the amount of tax payable on the Taxable Income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future Income Tax Liability, is considered as an Asset if there is convincing evidence that the Company will pay normal Income Tax. Accordingly, MAT is recognized as an Asset in the Balance Sheet when it is probable that future economic Benefit associated with it will flow to the Company.

Deferred Tax is recognized on timing differences, being the differences between the Taxable Income and the Accounting Income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred Tax Liabilities are recognized for all timing differences. Deferred Tax Assets in respect of Unabsorbed Depreciation and carry forward of losses are recognized only if there

# LAKSHMI PRECISION TOOLS LIMITED

## Notes forming part of accounts as at 31st March, 2020 (Contd...)

is virtual certainty that there will be sufficient future Taxable Income available to realize such assets. Deferred Tax Assets are recognized for timing differences of other items only to the extent that reasonable certainty exist that sufficient future taxable Income will be available against which these can be realized.

Deferred Tax Assets and Liabilities are offset if such items relate to taxes on Income levied by the same Governing Tax Laws and the Company has a legally enforceable right for such set off. Deferred Tax Assets are reviewed at each Balance Sheet date for their realisability.

### p. Impairment of assets

The carrying values of Assets / Cash generating units at each Balance Sheet date are reviewed for Impairment. If any indication of Impairment exists, the recoverable amount of such assets is estimated and Impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the Net Selling price and their value in use. Value in use is arrived at by discounting the future Cash Flows to their present value based on an appropriate discount factor. When there is indication that an Impairment Loss recognized for an asset in earlier Accounting periods no longer exists or may have decreased, such reversal of Impairment Loss is recognized in the Statement of Profit and Loss, except in case of revalued Assets.

### q. Provisions and Contingencies

A Provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (Excluding Retirement Benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are disclosed in the Notes.

### r. Insurance claims

Insurance Claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

## 26. Other Notes on Accounts:

### a. The values and percentage of Raw Materials & Components consumed:

Particulars	2019-2020		2018-2019	
	Amount in ₹	% to total consumption	Amount in ₹	% to total consumption
i) Raw Materials-Imported	7,34,094	0.29	1,35,72,796	4.13
ii) Components-Imported	1,58,393	0.06	-	-
iii) Raw Materials-Indigenous	16,52,37,281	65.55	20,50,16,824	62.46
iv) Components- Indigenous	8,59,53,482	34.10	10,96,73,239	33.41
<b>Total</b>	<b>25,20,83,250</b>	<b>100.00</b>	<b>32,82,62,859</b>	<b>100.00</b>

### b. As defined under Micro, Small and Medium Enterprises Development Act, 2006, the disclosure in respect of the amounts payable to such Enterprises as at March 31, 2020 has been made in the Financial Statements based on information received and available with the Company.



Notes forming part of accounts as at 31st March, 2020 (Contd...)

(Amount in ₹)

Particulars	2019-20	2018-19
a) The Principal amount and the Interest due thereon remaining unpaid to any supplier as at the end of each accounting year	73,81,044	29,88,459
b) The amount of Interest Paid by the Company along with the Amounts of the Payment made to the Supplier beyond the appointed day during the Year	Nil	Nil
c) 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 this Act	Nil	Nil
d) The amount of interest accrued and remaining unpaid at the end the year	2,38,228	Nil
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the Interest dues as above are actually paid to the Small Enterprises	Nil	Nil

c. Value of Imports on CIF Basis:

(Amount in ₹)

Particulars	2019-20	2018-19
i) Raw Materials	7,34,095	1,31,23,970
ii) Components & Consumables	14,95,043	15,78,286
iii) Capital Goods	-	1,04,800

d. Expenditure in Foreign currency :

(Amount in ₹)

Particulars	2019-20	2018-19
Travel Expenses for Exhibition Purpose	11,94,375	-
Other Travelling Expenses	9,11,317	3,03,015

e. Earnings in Foreign Exchange:

(Amount in ₹)

Particulars	2019-20	2018-19
FOB Value of Exports	1,60,38,146	1,91,96,890

f. The break-up of the Deferred Tax Liability for the current year is as under:

(Amount in ₹)

Particulars	Opening Balance	Additions	Reversed	Closing Balance
Deferred Tax Liability:				
Written Down Value of Fixed asset	1,59,28,091	(1,92,319)	-	(1,57,35,772)
Deferred Tax Asset:	-	-	-	-
Carry forward loss	-	1,14,41,095	-	1,14,41,095
<b>Closing Deferred Tax Liability/(Asset)</b>	<b>1,59,28,091</b>	<b>(1,16,33,414)</b>	<b>-</b>	<b>42,94,677</b>

g. Segment Information:

The Company operates in a single Segment viz., Manufacture and Sale of Aluminum Die Casting, Spares & Machinery and other Engineering Components, Sheet Metal Products. Job work undertaken on contract basis.

## LAKSHMI PRECISION TOOLS LIMITED

- h. Geographical Segment has been identified as Secondary Segment based on Segment Revenue. Details are as under:

(Amount in ₹)

Sale of Goods and Materials	2019-20	2018-19
a) Domestic Sales - Goods	45,76,15,616	61,77,28,193
- Job work receipts	1,71,01,821	2,66,15,045
<b>Total Domestic Sales</b>	<b>47,47,17,437</b>	<b>64,43,43,238</b>
b) Export Sales - To Japan	-	61,659
- To China	1,70,937	1,05,237
- To United States	1,13,42,910	1,45,18,583
- To Germany	-	88,000
- To Ireland	32,58,334	35,63,596
- To United Kingdom	12,65,964	8,59,815
<b>Total Export Sales</b>	<b>1,60,38,146</b>	<b>1,91,96,890</b>
<b>Total Sales</b>	<b>49,07,55,582</b>	<b>66,35,40,128</b>

- i. **Operating Lease as Lessor:**

- 1) Future Minimum Lease Rental is Receivable under operating lease for let out property for each of the following periods as under:

(Amount in ₹)

Particulars	2019-20	2018-19
Not later than 1 year	40,832	40,832
Later than 1 year to 5 years	Not Applicable	Not Applicable
Later than 5 years	Not Applicable	Not Applicable

- 2) Disclosure of Depreciation on Assets given on Lease during the year: Not applicable

- j. **Earnings Per Share:**

(Amount in ₹)

Particulars	2019-20	2018-19
Net Profit / (Loss) After Tax & Extraordinary Items (A)	(3,38,15,530)	2,00,61,179
No. of Shares of Rs.10/- each (B)	38,97,394	38,97,394
Basic and Diluted EPS (A)/(B)	(8.68)	5.15

- k. **Exceptional Items**

(Amount in ₹)

Particulars	2019-20	2018-19
a) Prior Period Incomes	-	62,181
b) Prior Period Expenses	-	-
c) Excess Provision of Bonus Prior Year	1,24,498	-
d) Excess Provision of Leave encashment	-	13,54,859
<b>Total</b>	<b>1,24,498</b>	<b>14,17,040</b>

- l. **Dividend:**

There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company. Except that an amount of Rs.600/- relating to the Dividend declared for the year 2011-12 has been kept on hold due to court case.



**m. Corporate Social Responsibility Expenditure:**

Pursuant to Sec 135 of the Companies Act 2013, the company's CSR Committee has formulated a policy for undertaking CSR activities by the company. The prescribed CSR expenditure @ 2% of the average net profits of the company (Rs.3,84,21,350) for the three financial years is Rs.7,68,427/-, as against this, the company has incurred an expenditure of Rs.7,70,000/- during the year.

Details of CSR Expenditure:

- a) Gross amount required to be spent by the company - Rs. 7,68,427/-  
b) Amount spent during the year - Rs. 7,70,000/-

Purpose	In Cash(₹)	In Kind(₹)	Total(₹)
Construction/acquisition of any asset - rural development projects	-	-	-
On purpose other than above paid to South Indian Art and Heritage Conversation Trust	7,70,000	-	7,70,000
<b>Total</b>	<b>7,70,000</b>	<b>-</b>	<b>7,70,000</b>

Particulars	31-03-2020	31-03-2019
Amount spent through approved trust or institution	7,70,000	8,15,000
Amount spent directly	-	1,58,676
<b>Total</b>	<b>7,70,000</b>	<b>9,73,676</b>

**n. EMPLOYEE BENEFITS**

- a) Company Contribution to Provident Fund. ₹. 41,85,950/-  
b) Defined Benefit Plans

S. No.	Particulars	Gratuity (Funded) 31.03.2020	Leave Encashment (Non-Funded) 31.03.2020	Gratuity (Funded) 31.03.2019	Leave Encashment (Non-Funded) 31.03.2019
<b>A.</b>	<b>Expense recognised during year ended 31.03.2020</b>				
1	Current Service Cost	12,17,797	8,22,396	11,31,974	8,90,929
2	Interest Cost	14,92,284	76,480	14,62,038	2,71,435
3	Expected return on Plan Assets	(15,18,420)	-	(14,58,884)	-
4	Actuarial Losses / (Gains) during the year	14,39,664	3,12,359	(2,79,286)	(25,17,223)
5	<b>Total Expense</b>	<b>26,31,325</b>	<b>12,11,235</b>	<b>8,55,842</b>	<b>(13,54,859)</b>
<b>B.</b>	<b>Actual return on Plan assets</b>				
1	Expected return on Plan Assets	15,18,420	-	14,58,884	-
2	Actuarial (Loss) / Gain on Plan assets	-	-	-	-
3	Actual return on Plan assets	15,18,420	-	14,58,884	-
<b>C.</b>	<b>Net Asset/(Liability) recognised in the Balance Sheet</b>				
1	Present value of the obligation as on 31.03.2020	2,29,59,128	15,79,168	1,98,97,115	16,71,546
2	Fair value of plan assets as on 31.03.2020	2,00,81,933	-	1,96,37,528	-
3	Funded status Surplus/ (Deficit)	(28,77,195)	(15,79,168)	(2,59,587)	(16,71,546)
4	Unrecognized Past Service Cost	-	-	-	-
5	<b>Net Asset/(Liability) recognised in the Balance Sheet</b>	<b>(28,77,195)</b>	<b>(15,79,168)</b>	<b>(2,59,587)</b>	<b>(16,71,546)</b>
<b>D.</b>	<b>Change in Present value of the Obligation during the Year Ended March 31,2020</b>				
1	Present Value of the Obligation as at April 1, 2019	1,98,97,115	16,71,546	1,82,75,476	40,05,595

# LAKSHMI PRECISION TOOLS LIMITED

S. No.	Particulars	Gratuity	Leave	Gratuity	Leave
		(Funded)	Encashment (Non-Funded)	(Funded)	Encashment (Non-Funded)
		31.03.2020	31.03.2020	31.03.2019	31.03.2019
2	Current Service Cost	12,17,797	8,22,396	11,31,974	8,90,929
3	Interest Cost	14,92,284	76,480	14,62,038	2,71,435
4	Benefits Paid	(10,87,732)	(13,03,613)	(6,93,087)	(9,79,190)
5	Actuarial (Gain) / Loss on Obligation	14,39,664	3,12,359	(2,79,286)	(25,17,223)
<b>6</b>	<b>Present Value of Obligation as at March 31,2020</b>	<b>2,29,59,128</b>	<b>15,79,168</b>	<b>1,98,97,115</b>	<b>16,71,546</b>
<b>E. Change in Assets During the year ended March 31, 2020</b>					
1	Fair Value of Plan Assets as at April 1, 2019	1,96,37,528	-	1,80,45,536	-
2	Expected Return on Plan Assets	15,18,420	-	14,58,884	-
3	Contributions made	13,718	13,03,613	8,26,194	9,79,190
4	Benefits Paid	(10,87,732)	(13,03,613)	(6,93,087)	(9,79,190)
5	Actuarial Gain / (Loss) on Plan Assets	-	-	-	-
<b>6</b>	<b>Fair Value of Plan Assets as at March 31, 2020</b>	<b>2,00,81,934</b>	<b>-</b>	<b>1,96,37,528</b>	<b>-</b>
<b>F. Major Categories of Plan Assets as a Percentage of Total Plan</b>					
	Qualifying Insurance Policies	2,00,81,934	-	1,96,37,528	-
	Own Plan Assets	-	-	-	-
	<b>Total</b>	<b>2,00,81,934</b>	<b>-</b>	<b>1,96,37,528</b>	<b>-</b>
<b>G. Actuarial Assumptions</b>					
1	Discount Rate	7.25%	6.86%	7.50%	7.50%
2	Salary Escalation	6.50%	6.50%	6.50%	6.50%
3	Expected Rate of Return on Plan Assets	7.44%	-	8.75%	-
4	Attrition Rate	2.20%	1.75%	2.20%	1.75%
5	Mortality Rate	LIC(1994-96) Ultimate		LIC(1994-96) Ultimate	

## o. Related Party Disclosure

### (i) Related Party Relationship

Key Management Personnel	Smt. Nethra J.S.Kumar, Chairperson
Relatives of Key Management Personal	Sri. D. Senthilkumar, Director Sri Vedhanth S Kumar- Director
<b>Other Related Parties-Associates</b>	<b>Other Related Parties-Associates</b>
Supreme Diary Products India Pvt Ltd	Lakshmi Cargo Company Ltd
Starline Travels Pvt Ltd	Lakshmi Life Sciences Ltd
Venkatavaradhaa Agencies Pvt Ltd	Lakshmi Machine Works Ltd
Ramlakshmi Agro Plantations Private Ltd	Lakshmi Card Clothing Mfg. Co. (P) Ltd
Ramlakshmi Holdings Private Ltd	Lakshmi Ring Travellers (Coimbatore) Pvt Ltd
Ramlakshmi Plantations Private Ltd	Lakshmi Caipo Industries Ltd
Eshann Enterprises Pvt Ltd	Lakshmi Electrical Drives Corporate Services - LLP
Harshni Textiles Pvt Ltd	LCC-Chakradhara Aerospace and Cargo Pvt Ltd
Integrated Electrical Controls India Pvt Ltd	Shri Ramalinga Mills Ltd
Lakshmi Electrical Control Systems Ltd	



**ii) Related Party Transaction**
**Amount in**

Name of Transacting Related party	Description of Transaction	31.3.2020	31.3.2019
Smt. Nethra J.S. Kumar	Commission	4,99,210	14,87,819
	Sitting fees	70,000	80,000
Sri D. Senthilkumar	Commission	50,000	50,000
	Sitting fees	70,000	80,000
Sri Vedhant S Kumar	Commission	50,000	-
	Sitting fees	40,000	30,000
Lakshmi Electrical Control Systems Ltd	Purchase of goods	22,80,220	1,11,14,108
	Sale of goods	12,06,52,796	22,37,31,329
	Purchase of Fixed Assets	-	8,36,620
	Rendering of services	3,04,662	48,512
	Receiving of services	56,81,894	51,57,344
Lakshmi Electrical Drives Pvt Ltd	Purchase of goods	2,22,514	2,59,473
	Sale of goods	-	17,459
	Receiving of services	4,83,763	3,73,297
	Lease rent income	44,544	52,230
	Lease rent expense	7,800	-
Lakshmi Life Sciences Ltd	Purchase of goods	5,45,947	16,11,800
	Sale of goods	24,28,368	-
	Receiving of services	2,56,770	39,440
Eshaan Enterprises Pvt Ltd	Purchase of goods	37,307	2,74,920
Harshni Textiles Pvt Ltd	Purchase of goods	14,302	-
	Sale of goods	27,56,480	8,36,620
Lakshmi Card Clothing Mfg. Co. (P) Ltd	Sale of goods	1,32,927	13,41,828
	Receiving of services	-	57,280
Lakshmi Machine Works Ltd	Sale of goods	22,11,44,137	32,09,71,808
	Purchase of goods	23,83,626	16,62,275
	Rendering of services	1,95,41,136	3,13,99,381
	Receiving of services	90,480	59,240
Shri Ramalinga Mills Ltd	Sale of goods	33,53,560	-
	Rendering of services	-	35,648
Starline Travels Pvt. Ltd	Receiving of services	34,71,468	20,60,557
LCC-Chakradhara Aerospace and Cargo Pvt Ltd	Receiving of services	2,19,567	12,99,628
Supreme Diary Products India Pvt Ltd	Receiving of services	32,17,845	21,24,981
Lakshmi Electrical Drives Corporate Services - LLP	Receiving of services	4,37,90,299	5,27,63,211

# LAKSHMI PRECISION TOOLS LIMITED

Key managerial personnel	Outstanding Receivables	-	-
	Outstanding Payables	-	-
Relative of Key managerial personnel	Outstanding Receivables	-	-
	Outstanding Payables	-	-
Other Associates	Outstanding Receivables	7,32,86,130	7,87,40,391
	Outstanding Payables	84,03,485	1,26,41,214

p. Contingent Liabilities

On account of disputed statutory demands to the extent not provided for

(Amount in ₹)

Particulars	2019-20	2018-19
Income Tax Demand Pending Before CIT (Appeals) AY 15 - 16	4,26,746	4,26,746
The Company has deposited Contribution amount of ₹ 76,613/- as against the demand of ESI contribution and interest of ₹ 1,93,158/-	1,16,545	1,16,545

q. The Previous Year's figures have been regrouped and reclassified wherever necessary to suit this year's presentation.

See accompanying notes to the Financial Statements

As per our report of even date attached.  
For S. KRISHNAMOORTHY & CO.  
Chartered Accountants  
Firm Regn. No.001496S

**K. RAGHU**

Partner, Auditors  
Membership No. 011178

For and on behalf of Board of Directors

**NETHRA.J.S.KUMAR**

Chairperson  
(DIN : 00217906)

**D.SENTHILKUMAR**

Director  
(DIN : 00006172)

Place : Coimbatore

Date : June 24, 2020



**LAKSHMI PRECISION TOOLS LIMITED**

Arasur - 641 407, Coimbatore Dist, India.

Phone : +91 422 6173500.

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CIN : U28939TZ1966PLC000559