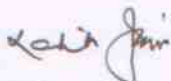


## FORM B

Format of covering letter of the annual audit report to be filed with the  
stock exchanges

Name of the Company:	Lakshmi Precision Screws Limited, 46/1, Mile Stone, Hisar Road, Rohtak-124001
Annual financial statements for the year ended	31st March 2013
Type of Audit qualification	<p>Qualified</p> <p>(i) Non compliance of AS-15 with respect to actuarial valuation of gratuity liability and leave encashment liability</p> <p>(ii) Inventories have been valued on a fixed percentage of sale price rather than on actual cost.</p> <p>(iii) Dies are charged to profit and loss as and when scraped instead of amortizing the same on useful life basis.</p>
Frequency of qualification	<p>(i) AS-15 with respect to gratuity liability and leave encashment liability from 31/03/2009</p> <p>(ii) Valuation of inventory since 31/03/2012</p> <p>(iii) Amortization of dies since 31/03/2012</p>
Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	<p>(i) Note no. 31(xviii) of Financial Statements with respect to qualification pertaining to AS- 15.</p> <p>(ii) Note no. 31(xix) of Financial Statements with respect to valuation of inventories. The valuation is as per past practice and stock will be valued on actual/ standard cost basis on implementation of detailed cost records.</p> <p>(iii) Note no. 31(xx) of Financial Statements with respect to amortization of tools and dies. The Company is reviewing the policy to charge the cost of dies and tools in a systematic manner depending upon the useful lives.</p>
Additional comments from the board/audit committee chair:	The management of the Company is working to implement the necessary changes required to comply with the requirements.



Lalit Kumar Jain  
Chairman & Managing Director (CEO)



K. L. Ghorui  
AVP Accounts (CFO)



K. N. Rattan  
Chairman Audit Committee



Rajan Bansal  
For V. R. Bansal and Associates (Auditors)

Date: 29/05/2013  
Place: Delhi