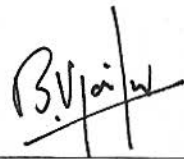

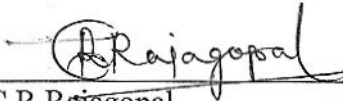



FORM A**Format of covering letter of the annual audit report to be filed with the stock exchanges**

1.	Name of the Company	:	L.G.BALAKRISHNAN & BROS LIMITED
2.	Annual financial statements for the year ended	:	31 st March 2015
3.	Type of Audit observation	:	Un-qualified
4.	Frequency of observation	:	Not Applicable
5.	To be signed by-		
	CEO/Managing Director	:	 : B. Vijayakumar Chairman Cum Managing Director Coimbatore
	CFO	:	 : N. Rengaraj Chief Financial Officer Coimbatore
	Auditor of the Company	:	For DELOITTE HASKINS & SELLS Chartered Accountants, Coimbatore Firm Registration No.008072S  C.R. Rajagopal (Partner) (Membership No.23418) Coimbatore
	Audit Committee Chairman	:	 : P. Shanmugasundaram Director Coimbatore

L.G. BALAKRISHNAN & BROS LIMITED



**59th
ANNUAL REPORT
2014 - 2015**



L.G. BALAKRISHNAN & BROS LIMITED

Corporate Information

BOARD OF DIRECTORS

Sri. B. Vijayakumar
Chairman cum Managing Director
Sri. P. Prabakaran
Deputy Managing Director
Sri. P. Balasubramanian
Sri. S. Sivakumar
Sri. V. Govindarajulu
Sri. P. Shanmugasundaram
Smt. V. Rajsri
Sri. V. Rajvirdhan
Dr. T. Balaji
Sri. R. Vidhya Shankar

CHIEF FINANCIAL OFFICER

Sri. N. Rengaraj

GENERAL MANAGER CUM COMPANY SECRETARY

Sri. M. Lakshmi Kanth Joshi

BANKERS

Axis Bank Limited
Corporation Bank
HDFC Bank Limited
HSBC Limited
IndusInd Bank Limited
ICICI Bank Limited
IDBI Bank Limited
The Bank of Nova Scotia
Yes Bank Limited

STATUTORY AUDITORS

M/s. Deloitte Haskins & Sells
Chartered Accountants
Shanmuga Mandram
41 Race Course, Coimbatore 641018
Phone No. 0422 - 4392801

COST AUDITOR

Dr. G.L. Sankaran
82, EB Colony, Vadavalli, Coimbatore - 641 041
Phone No. 0422 - 2400767

SECRETARIAL AUDITOR

Sri. M.D. Selvaraj
MDS & Associates
Company Secretary in Practice

REGISTRAR AND SHARE TRANSFER AGENTS

M/s. Cameo Corporate Services Limited
"Subramanian Building"
No 1, Club House Road, Chennai- 600 002
Phone No. 044 - 28460390

LISTING

BSE Ltd.
National Stock Exchange of India Ltd.

REGISTERED OFFICE

6/16/13, Krishnarayapuram Road,
Ganapathy, Coimbatore - 641 006.
CIN : L29191TZ1956PLC000257
Email: info@lgb.co.in Website: www.lgb.co.in
Phone: 0422 2532325 Fax: 0422 2532333

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59th ANNUAL GENERAL MEETING

Date : 10th September, 2015
Day : Thursday
Time : 10.30 A.M.
Venue : **Ardra Convention Centre**
"Kaanchan",
9, North Huzur Road
Coimbatore- 641 018.

NOTICE

Notice is hereby given that the Fifty Ninth Annual General Meeting of the Members of the Company will be held on Thursday the 10th day of September 2015 at 10.30 A.M. at Ardra Convention Centre, Kaanchan, 9, North Huzur Road, Coimbatore - 641 018, to transact the following businesses:

AGENDA

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company along with Consolidated Financial Statements for the financial year ended 31st March, 2015 together with the Reports of the Board of Directors and Auditors thereon.
2. To confirm the Interim Dividend already paid and declare Final Dividend on the Equity Shares for the financial year ended 31st March, 2015.
3. To appoint a Director in place of Smt. V. Rajsri (DIN 00018244), who retires by rotation and being eligible, seeks re-appointment.
4. To appoint a Director in place of Sri.P.Prabakaran (DIN 01709564), who retires by rotation and being eligible, seeks re-appointment.
5. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

“**RESOLVED** that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the appointment of Deloitte Haskins & Sells, Chartered Accountants (Firm’s Registration No. 008072S), as Auditors of the Company in the previous Annual General Meeting for a term of three years i.e. till the conclusion of the 61st Annual General Meeting (AGM), which was subject to ratification at every AGM, be and is hereby ratified to hold the office from the conclusion of this AGM till the conclusion of the next AGM of the Company to be held in the year 2016, at such remuneration plus service tax, out-of-pocket, travelling expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

6. **To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.**

RESOLVED THAT pursuant to Section 196, 197, 203, Schedule V and other applicable provisions if any of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) the consent of the Company be and is hereby accorded to the reappointment of Sri.B.Vijayakumar (DIN: 00015583) as Chairman Cum Managing Director of the Company for a further period of 5 years with effect from 1st January 2015 on the following remuneration as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors at their Meeting held on 06th November, 2014.

1. **Salary:** ₹ 5,50,000/- PM with such annual increment, but not exceeding 10% as the Board at its discretion may decide.
2. **Commission:** An amount equal to 2% of the Net Profits of the Company in each financial year computed in accordance with Section 198 of the Companies Act, 2013.
3. **Other Benefits:** Contribution to Provident Fund as per the rules of the Company and this shall not be included in computation of ceiling on remuneration.
4. **Minimum Remuneration:** In the event of loss or inadequacy of Profits in any financial year during the aforesaid period, the remuneration payable to the Chairman Cum Managing Director shall be subject to the limits mentioned in the Section II of Part II of Schedule V of the Companies Act, 2013.
7. **To consider and if thought fit, to pass, with or without modification(s), the following Resolution as Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 73 and Section 76 of the Companies Act, 2013

read with Companies (Acceptance of Deposits) Rules, 2014 and other applicable provisions, if any, and subject to such conditions, approvals, permissions as may be necessary, consent of members of the Company be and is hereby accorded to invite / accept / renew from time to time deposits from public and / or members of the Company in accordance with the terms and conditions of Acceptance of Deposits by Companies, as prescribed under Rule 3 of the Companies (Acceptance of Deposits) Rules, 2014.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors is hereby authorized to do such acts, deeds, things and matters as the Board of Directors may in its absolute discretion consider necessary or appropriate for such invitation / acceptance / renewal of deposits by the Company.

8. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) Dr.G.L.Sankaran, Cost Accountant, (Membership No.4482) appointed as Cost Auditor by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ended 2014-2015 and 2015-2016, on a remuneration of ₹ 1,25,000 (exclusive of service tax and out of pocket expenses) for each of the financial years be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

9. **To consider approving Related Party Transactions To consider and if thought fit, to pass the following resolution as a Special Resolution.**

“RESOLVED THAT, pursuant to clause 49 of the Listing Agreement entered with Stock Exchanges and Section 188 and all other applicable provisions,

if any of the Companies Act, 2013 (the “Act” including statutory modifications(s) or re-enactments) and read with Companies (Meetings of Board and its Powers) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) with any amendment thereto and subject to such approvals, consents, sanctions and permission as may be necessary, consent of the members of the Company be accorded to the Board of Directors of the Company to enter in to contracts and /or agreements with the related party as defined under the Act with respect to sale, purchase or supply of any goods or materials, selling or otherwise disposing of or buying, leasing of property of any kind, availing or rendering of any services or any other transaction of whatever nature with with M/s.Renold Chain India Private Limited.”

“RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.6

Sri.B.Vijayakumar, Chairman Cum Managing Director of the Company was appointed for a period of 5 years from 01-01-2010 and his appointment is due for renewal on 31-12-2014. Under the able leadership of Sri.B.Vijayakumar, the Company has grown from strength to strength in terms of business, operations and profitability during his tenure. He has steered the Company towards enhancing and stabilizing capacities in its manufacturing units and the affairs of the subsidiary and joint ventures in a professional manner. In recognition of his contribution in the Company, the Board of Directors at its meeting held on 06.11.2014 and as per recommendation of the Nomination & Remuneration Committee at the meeting held on 05.11.2014 approved the re-appointment of Sri.B.Vijayakumar as Chairman

Cum Managing Director for a period of 5 years from 01-01-2015. They have also approved the remuneration as proposed in the resolution which is in line with Schedule V of the Companies Act, 2013.

None of the Directors and/or key managerial personnel of your Company and their relatives, except Sri.B.Vijayakumar, Chairman Cum Managing Director, Sri.V.Rajvirdhan and Smt.V.Rajsri, Directors, are concerned or interested, financially or otherwise, in the above Resolution.

The particulars set out above can also be treated as Memorandum required to be circulated to every member under Section 190 of the Companies Act, 2013.

The Board recommends the resolution for your approval.

Item No: 7

In view of the enactment of the Companies Act, 2013 in place of Companies Act, 1956 various new provisions have been introduced in regard to the acceptance of Fixed Deposits. However, with the commencement of Companies Act, 2013 ('the 2013 Act') deposits are now governed by the provisions of Sections 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and approval of Shareholders is therefore required for inviting/ accepting/ renewing deposits. Under Rule 3(4) of the Companies (Acceptance of Deposits) Rules, 2014, an eligible Company shall accept or renew deposits (a) From its members not exceeding 10% of the aggregate of the paid up share capital and free reserves of the Company (b) Other deposits not exceeding 25% of the aggregate of the paid up share capital and free reserves of the Company.

The Board of Directors of your Company recommends the resolution as set out in the accompanying notice for the approval of the members of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the Resolution except to the extent of their shareholding in the Company, if any.

Item No:8

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of Dr.G.L.Sankaran, Cost Accountant (Membership No.4482) as Cost Auditor to conduct the audit of the cost records of the Company for the financial year 2014-2015 and 2015-2016. In accordance with the provision of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing ordinary resolution as set out item no.8 of the notice for ratification of the remuneration of the cost auditor for the financial year 2014-2015 and 2015-2016.

None of the Directors or Key Managerial Personnel of your Company and their relatives are concerned or interested financially or otherwise in the above resolution.

Item No: 9

The Company proposes to enter into transactions with M/s.Renold Chain India Private Limited, being a related party, confirming to the requirements of the Companies Act, 2013 and clause 49 of the listing agreement. In this context the necessary special resolution is proposed for the approval of the members. The transactions have been approved by the Audit Committee and also by the Board of Directors subject to the Company passing a special resolution as per the requirement of the Act.

The particulars as to the related party transactions are furnished below as per the requirements of the prescribed rules and the grounds for having the transactions.

The contract will be subject to the conditions that the prescribed price / charges payable under the contracts shall be competitive, shall be based on the prevailing market price, shall not be prejudicial to the interest of either parties and shall be at arm's length, on the basis of comparable uncontrolled price other than with associate enterprise.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Sri. B.Vijayakumar is concerned or interested in the Resolution.

1. Name of the related party	M/s. Renold Chain India P Limited	
Name of the Director/ KMP who is related, if any	B. Vijayakumar & P. Prabakaran	
Nature of relationship	Interested as Directors	
		₹ in lakhs/Annum
Nature, Material Terms, monetary value and particulars of the contract or arrangement;	Leasing of Building / Machineries.	100.00
	Sale / Purchase of Movable and Immovable Assets	1000.00
	Sale / Purchase of Automotive and Industrial Chain and its parts and raw materials therein	3000.00
	Purchase of LPG Gas	25.00
	Availing of transport and canteen facilities	100.00
	Rendering of printing services & supply of stationeries, stores materials and press room materials	100.00
	Availing machinery on lease	100.00
	Sale of stores, spares, tool & dies	100.00
Tenure of the contract	The Contract would be for a period of 5 years.	
Any other information relevant or important for the members to take decision on the	The Company is engaged in Manufacture of Automotive components and its accessories. The Company is making use of Machineries in large scale for the manufacture activities and hence the transaction with the above Company would be beneficial to the Company.	

Copy of the proposed contract is available for inspection of the members during office hours.

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM FOR THE AGM IS ENCLOSED.

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. Members / Proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
4. Details under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors seeking appointment / re-appointment at the Annual General Meeting are furnished and forms a part of the notice. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.
5. Pursuant to Section 123 of the Companies Act, 2013 dividend as recommended by the Board of Directors for the year ended 31st March 2015, if declared, at the ensuing Annual general meeting is proposed to be paid on or before 28th September, 2015.
6. The Register of Members and the Share Transfer Books of the Company shall remain closed from

Friday, the 04th September, 2015 to Thursday, the 10th September, 2015(both days inclusive) for payment of final dividend.

7. Members holding shares in electronic form are hereby informed that bank particulars registered against their depository accounts will be used by the Company for payment of dividend. The Company or the Registrars cannot act on any request received directly from the members holding shares in electronic form for any change in bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the Members.

Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Registrars and Share Transfer Agents of the Company.

8. Change of Address: Members are requested to notify any change of address and bank details to their depository participants in respect of their holdings in electronic form and in respect of shares held in physical form, to the secretarial department at the registered office of the Company or to M/s. Cameo Corporate Services Limited, "Subramanian Building" No.1, Club House Road, Chennai - 600 002 the Registrar and Share Transfer Agent of the Company.
9. Dividend of prior years: Pursuant to Section 205A of the Companies Act, 1956, (which are still applicable as the relevant Sections under the Companies Act, 2013 are yet to be notified) the Dividend which remained un-encashed / unclaimed for a period of seven years from the date of transfer to the unpaid Dividend account is required to be transferred to the "Investor Education and Protection Fund" established by the Central Government. According to the relevant provisions of the Companies Act, 1956, as amended, no claim shall lie against the said fund or the Company for the amount of unclaimed Dividend / bond interest so transferred to the said Fund. Members who have not encashed the Dividend warrant(s) / interest warrants so far, since the financial year 2007-2008, are requested to send their claim immediately to the Company / Registrar and Transfer Agent for issue of pay order / demand draft in lieu thereof.

10. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar and Share Transfer Agents, for consolidation into a single folio.

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN details to the Registrar and Share Transfer Agent.

12. Copies of the Annual Report 2015, the Notice of the 59th Annual General Meeting of the Company and instructions for e-voting, along with the Attendance Slip and Proxy Form, are being sent by electronic mode only to the members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report 2015 are being sent by permitted mode.

13. Members may also note that the Notice of the 59th Annual General Meeting and the Annual Report 2015 will be available on the Company's website, www.lgb.co.in. The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at: secretarial@lgb.co.in.

14. Voting Through Electronic Means

In compliance with the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35 B of the Listing agreement, the Company is pleased to provide members facility to exercise their votes for all the resolutions detailed in the Notice of the 59th Annual General Meeting scheduled to be held at 10.30 a.m, on Thursday, the

10th September, 2015, by electronic means and the business may be transacted through remote e-voting. The Company has engaged the services of CDSL as the authorised agency to provide the remote e-voting facilities. The instructions for remote e-voting is provided below.

Members, who have not voted through remote e-voting and present at the AGM in person or proxy, can vote through the ballot conducted at the AGM. Kindly note that members can opt for only one mode of voting i.e., either by remote e-voting or by ballot at the AGM. A member present at the AGM and voted by remote e-voting will not be permitted to vote at the AGM by Ballot.

Votes cast by members who hold shares on the cut-off date viz 03.09.2015 alone will be counted.

Instructions for Shareholders Voting Electronically are as under:

- (i) The remote e-voting period begins at 09.00 AM on 07.09.2015 and ends on at -05.00 PM on 09.09.2015. During this period shareholders of the Company, holding shares either in physical form or in electronic form, as on the cut-off date (record date) of 03.09.2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID

a	For CDSL: 16 digits beneficiary ID
b	For NSDL: 8 Character DP ID followed by 8 Digits Client ID
c	Members holding shares in Physical Form should enter Folio Number registered with the Company

- (v) Next enter the Image Verification as displayed and Click on Login
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and

voted on an earlier voting of any company, then your existing password is to be used.

- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN

Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number provided at the attendance slip enclosed herewith in the PAN field

DOB

Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.

DIVIDEND BANK DETAILS

Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.

Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

* Members who have not updated their PAN with the Company/RTA/Depository Participant are requested to use the first two letters of their name and the sequence number in the PAN field.

Incase the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name of the CAPITAL letters. Eg. If your name is Ramesh Kumar

with sequence number 1 then enter RA00000001 in the PAN field. (Sl. No. mentioned in your address label can be used as Sequence No. for this purpose)

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant L.G.Balakrishnan & Bros Limited on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non - Individual Shareholders and Custodians
 - ❖ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - ❖ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - ❖ After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - ❖ The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - ❖ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - ❖ In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

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15. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 03rd September, 2015.
 16. Mr. M.D. Selvaraj FCS of MDS & Associates, Company Secretary in Practice, Coimbatore has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 17. The Scrutinizer shall immediately after the conclusion of the Annual General Meeting first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 18. The Results shall be declared within 3 days of the conclusion of the Annual General Meeting. The results declared along with the Consolidated Scrutinizer's Report shall be placed on the Company's website www.lgb.co.in and on the website of CDSL within three (3) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges where the Company's shares are listed.
 19. ***Request for additional information, if required:*** In case you intend to raise any queries in the forthcoming Annual General Meeting, you are requested to please forward the same at least 10 days before the date of the Meeting to Mr.M.LakshmiKanth Joshi, General Manager cum Company Secretary at the following address so that the same may be attended appropriately to your entire satisfaction.

Coimbatore
30.04.2015

By Order of the Board,
M. LAKSHMI KANTH JOSHI
General Manager cum
Company Secretary

Details of Directors seeking appointment/and re-appointment at the forth coming Annual General Meeting in pursuance of Clause 49 of the Listing Agreement

Name	Sri. B. Vijayakumar	Smt. V. Rajsri	Sri. P. Prabakaran
DIN	00015583	00018244	01709564
Date of Birth	22.01.1953	11.09.1981	01.02.1959
Nationality	Indian	Indian	Indian
DOA on the Board	25.11.1986	30.10.2006	30.05.2008
Relationship with other Director	Father of Smt. V. Rajsri & Sri. V. Rajvirdhan	Daughter of Sri. B.Vijayakumar Sister of Sri. V. Rajvirdhan	None
Qualification	B. Sc.,	B.B.A.,	B.E.,
Expertise in area	More than 45 years as an Industrialist and More than 25 years as the Managing Director of the Company.	More than 15 years experience in General Administration	More than 25 years experience in Business
No. of shares held	2,507,000	1,089,576	400
List of Directorships held in other Companies	<ol style="list-style-type: none"> 1. South Western Engineering India Ltd 2. Super Spinning Mills Ltd 3. Elgi Equipments Ltd 4. LGB Forge Ltd 5. LGB fuel systems P. Ltd 6. Rolon Fine Blank Ltd 7. LGB Rolon Chain Ltd 8. LG Sports Ltd 9. Super Speeds P Ltd 10. Super Transports P Ltd 11. LG Farm Products P Ltd 12. LGB Auto Products P Ltd 13. Renold Chain India P Ltd 14. BCW V Tech India P Ltd 15. LGB USA INC 16. GFM Acquisition LLC 	<ol style="list-style-type: none"> 1. LGB Rolon Chain Ltd 2. Rolon Fine Blank Ltd 3. Silent Chain India P Ltd 4. Elgi Automotive Services P Ltd 5. LGB Auto Products P Ltd 6. LG Farm Products P Ltd 7. Super Transports P Ltd 	<ol style="list-style-type: none"> 1. BCW V Tech India P Ltd 2. LGB Rolon Chain Ltd 3. Rolon Fine Blank Ltd 4. Silent Chain India P Ltd 5. Renold Chain India P Ltd 6. LGB USA INC 7. GFM Acquisition LLC
Chairman/Member of the Committees of the Board of other companies in which he is Director	<p>Member of Nomination and Remuneration Committee L.G.Balakrishnan & Bros Ltd Stakeholders' Relationship Committee of L.G.Balakrishnan & Bros Ltd LGB Forge Limited</p> <p>Member of Audit & Remuneration Committee Super Spinning Mills Ltd</p>	NIL	NIL

DIRECTORS' REPORT

Dear Shareholders,

Your Directors take pleasure in presenting the Fifty Ninth Annual Report of your Company together with the audited accounts for the year ended 31st March, 2015.

FINANCIAL RESULTS:

The summary of the financial performance of the Company for the year ended 31st March, 2015 as compared to the previous year is as below

Particulars	Consolidated		Standalone	
	31.03.2015 (₹ in Lakhs)	31-03-2014 (₹ in Lakhs)	31-03-2015 (₹ in Lakhs)	31-03-2014 (₹ in Lakhs)
Total Revenue	117,571.51	111,315.87	105,110.65	99,266.30
Profit before Interest, Depreciation & Tax	14,447.16	13,073.20	13,181.81	11,681.54
Less : Interest	1,770.04	1,789.75	1,631.84	1,691.03
Depreciation	3,946.69	3,278.71	3,733.68	3,137.12
PROFIT BEFORE TAX	8,730.43	8,004.74	7,816.29	6,853.39
Less : Provisions for Taxation				
Current Income Tax/MAT	2,044.06	1,674.13	2,043.38	1,470.95
Deferred Tax (Credit/Charge)	4.77	(184.35)	(5.89)	(51.98)
Add: Exceptional items	660.80	-	660.80	-
PROFIT AFTER TAX	7,342.40	6,514.96	6,439.60	5,434.42
Add : Share in Profit of Associate	58.04	92.63	-	-
Less : Share of Profit - Minority interest	279.17	323.50	-	-
PROFIT AFTER TAX	7,121.27	6,284.09	6,439.60	5,434.42
Add : Balance brought forward	4,354.78	3,172.51	3,519.85	3,187.25
AVAILABLE FOR APPROPRIATION	11,476.05	9,456.60	9,959.45	8,621.67
APPROPRIATIONS:				
1. Dividend on Equity Shares	1,098.74	941.78	1,098.74	941.78
2. Tax on Dividend	221.86	160.04	221.86	160.04
3. Transfer to General Reserves	4,883.20	4,000.00	4,883.20	4,000.00
4. Balance carried over	5,272.25	4,354.78	3,755.65	3,519.85
Total	11,476.05	9,456.60	9,959.45	8,621.67

CONSOLIDATED FINANCIALS

During the year under review, your Company's consolidated total revenue stood at ₹ 117,571.51 Lakhs as compared to ₹ 111,315.87 Lakhs for the previous year, representing an increase of 5.62%; profit before tax stood at ₹ 8,730.43 Lakhs for the year under review as compared to ₹ 8,004.74 Lakhs for the previous year, representing an increase of 9.07%; profit after tax stood at ₹ 7,342.40 Lakhs as compared to ₹ 6,514.96 Lakhs for the previous year, representing an increase of 12.70%.

STANDALONE FINANCIALS

During the year under review, the Total Revenue stood at ₹ 105,110.65 Lakhs as compared to ₹ 99,266.30 Lakhs

for the previous year, representing an increase of 5.89%; profit before tax stood at ₹ 7,816.29 Lakhs for the year under review as compared to ₹ 6,853.39 Lakhs for the previous year, representing an increase of 14.05%; profit after tax stood at ₹ 6,439.60 Lakhs as compared to ₹ 5,434.42 Lakhs for the previous year, representing an increase of 18.50%.

TRANSFER TO RESERVES

The Company has transferred an amount of ₹ 4,883.20 Lakhs to the General Reserve out of the amount available for appropriations and the remaining amount of ₹ 3,755.65 Lakhs has been retained in the Profit and Loss Account.

DIVIDEND

The Board of Directors have recommended a total dividend of ₹ 7 per share (70% on face value of ₹ 10/- each) which amounts to ₹ 1320.60 lakhs.

This includes interim dividend of ₹ 3.20 per equity share (32% on the face value of ₹ 10/- each) which was paid to all shareholders on 20.11.2014.

It is to be noted that the dividend is applicable on bonus shares also and dividend would be 140% on the pre bonus capital of the Company.

TRANSFER TO INVESTORS EDUCATION AND PROTECTION FUND

In terms of Section 205C of the Companies Act, 1956, an amount of ₹ 3.13 Lakhs being unclaimed dividend (2006-07) was transferred during the year to the Investors Education and Protection Fund established by the Central Government.

SHARE CAPITAL:

During the year the Company had issued the 78,48,104 equity shares of ₹ 10/- each as bonus shares in the ratio of 1:1 (one equity share allotted for every one share held) thus increasing the paid up share capital of the Company from ₹ 7,84,81,040/- to ₹ 15,69,62,080/-, consisting of 1,56,96,208 equity shares of ₹ 10/- each on 10th July, 2014.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92 (3) of the Act and Rule 12 (1) of The Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form MGT-9 is annexed as **Annexure - A**.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year ended 31st March, 2015, four Board Meetings were held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended on 31st March, 2015, the Board of Directors hereby confirms that,

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed

along with proper explanation relating to material departures;

- (b) that such accounting policies have been selected and applied consistently and the Directors 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) proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts of the Company have been prepared on a going concern basis;
- (e) internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (f) proper system have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS:

Pursuant to the provisions of Section 149 of the Act, which came into effect from April 1, 2014, Sri.P.Balasubramanian, Sri.V.Govindarajulu, Sri.P.Shanmugasundaram, Dr.T.Balaji and Sri.R.Vidhya Shankar were appointed as Independent Directors at the Annual General Meeting of the Company held on July 09, 2014. The terms and conditions of appointment of Independent Directors are as per Schedule IV of the Act. They have submitted a declaration that each of them meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement and there has been no change in the circumstances which may affect their status as Independent Director during the year

NOMINATION AND REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The salient aspects covered in the

Nomination and Remuneration Policy, covering the policy on appointment and remuneration of Directors and other matters as provided under Section 178(3) of the Companies Act, 2013 have been outlined in the Corporate Governance Report which forms part of this Report.

AUDITORS

STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, Messrs. Deloitte Haskins & Sells., Chartered Accountants, the Statutory Auditors of the Company, hold office upto the conclusion of the (Sixty First) 61st Annual General Meeting. However, their appointment as Statutory Auditors of the Company is subject to ratification by the Members at every Annual General Meeting. The Company has received a certificate from the said Auditors that they are eligible to hold office as the Auditors of the Company and are not disqualified for being so appointed. Necessary resolution for ratification of appointment of the said Auditors is included in the Notice of Annual General Meeting for seeking approval of members.

COST AUDITOR

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with notifications/ circulars issued by the Ministry of Corporate Affairs from time to time and as per the recommendation of the Audit Committee, the Board of Directors at their meeting dated 30.01.2015, appointed Dr.G.L.Sankaran, Cost Accountant, as the Cost Auditor of the Company for financial year 2014-2015. The Cost Audit Report will be filed within the period stipulated under Companies Act, 2013.

In respect of financial year 2015-2016, the Board, based on the recommendation of the Audit Committee, has approved the appointment of Dr.G.L.Sankaran as the Cost Auditor of the Company.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding Rules framed thereunder, Mr.M.D.Selvaraj of M/s.MDS & Associates, Company Secretaries were appointed as the Secretarial Auditors of the Company to carry out the Secretarial Audit for the year ended 31st March, 2015.

A Secretarial Audit Report given by the Secretarial Auditors in Form No. MR-3 is annexed with this Report as Annexure - D.

OBSERVATION OF STATUTORY AUDITOR AND SECRETARIAL AUDITOR IN RESPECT OF THEIR AUDIT REPORTS.

The Statutory Auditor report and Secretarial Audit report does not contain any adverse observation or qualification requiring explanation or comments from the Board under Section 134(3)(f) of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY

During the year the Company has invested a sum of US \$ 2,00,000 in overseas subsidiary Company ie. M/s. LGB USA INC. In respect of investment, loan, guarantee given in earlier years please refer notes to standalone financial statements.

RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the year under review were on an arm's length basis and in the ordinary course of business. The Audit Committee has given prior approval for the Related Party Transactions. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website <http://www.lgb.co.in/pdf/related-party-transactions-policy.pdf>

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN MARCH 31, 2015 AND THE DATE OF THE REPORT

There were no material changes and commitments affecting the financial position of the Company occurred between the end of financial year (March 31, 2015) to which this financial statements relate and the date of this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure - C".

RISK MANAGEMENT POLICY

The Board of Directors of the Company has formulated a Risk Management Policy which aims at enhancing Shareholder's value and providing an optimum risk-reward trade off. The risk management approach is based on the clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation reserves.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company during the financial year 2014-15 has undertaken projects in areas of promoting education and health care. These projects are in accordance with Schedule VII of the Companies Act, 2013.

The amount required to be spent on CSR activities during the year under report in accordance with the provisions of Section 135 of the Act is ₹ 114.38 lakhs and the Company has spent ₹ 116.41 lakhs during the current financial year.

The report on CSR activities is attached as Annexure - 'D' to this Report.

BOARD EVALUATION

On the advice of the Board of Directors, the Nomination and Remuneration Committee of the Board of Directors the Company formulated the criteria for the evaluation of the performance of the Board of Directors & its Committees, Independent Directors, Non-Independent Directors and the Managing Director of the Board. Based on that performance valuation has been undertaken. The Independent Directors of the Company have also convened a separate meeting for this purpose. All the results and evaluation has been communicated.

FAMILIARIZATION PROGRAMMES

The Company had conducted various sessions during the financial year to familiarize Independent Directors with the Company, their roles, responsibilities in the Company, and the technology and the risk management systems of the Company. Further, the Directors are encouraged to attend the training programmes being organized by various regulators/bodies/ institutions on above matters.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 152 of the Companies Act, 2013 Sri.P.Prabakaran Deputy Managing Director and Smt.V.Rajsri Director of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

The Board of Directors had on the recommendation of the Nomination and Remuneration Committee re-appointed Sri.B.Vijayakumar as Chairman Cum Managing Director of the Company for a further period of 5 years with effect from January, 1 2015. The terms and conditions of his appointment, including his remuneration, are subject to the approval of the Shareholders in the ensuing Annual General Meeting.

Brief profile of Sri.B.Vijayakumar, Sri.P.Prabakaran and Smt.V.Rajsri as required under Clause 49(VIII)(E) of the Listing Agreement is provided in the Notice, attached hereto.

At the Board Meeting held on August, 01 2014 Sri.B.Vijayakumar Chairman Cum Managing Director, Sri.P.Prabakaran Deputy Managing Director, Sri.N.Rengaraj Chief Financial Officer and Sri.M.Lakshmi Kanth Joshi General Manager Cum Company Secretary were designated as "Key Managerial Personnel" of the Company pursuant to Sections 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

PUBLIC DEPOSITS

The Companies Act, 2013 has completely changed rules for deposits. The Company has neither accepted nor renewed any deposits during the year under review. During the year, your Company repaid all the outstanding fixed deposits from public aggregating to Rs.957.25 Lakhs. There was no deposit remaining unpaid or unclaimed as at the end of the year. The Board has decided to accept deposits subject to your approval and the same is proposed to obtain in the forthcoming Annual General Meeting under Section 73 of the Companies Act, 2013

DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL.

No Significant and Materials orders have been passed by any Regulator or Court or Tribunal which can have an impact on the going concern status and the Company's operations in future

DETAILS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013

Details pursuant to Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 form part of this Report and are annexed herewith as “Annexure - E”

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has established adequate internal control procedures, commensurate with the nature of its business and size of its operations. The Company maintains all its records in SAP System and the work flow and approvals are routed through SAP.

The Company has appointed Internal Auditors to observe the Internal Controls, whether the work flow of organization is being done through the approved policies of the Company. In every Quarter during the approval of Financial Statements, Internal Auditors will present the Internal Audit Report and Management Comments on the Internal Audit observations; and

The Board of Directors of the Company have adopted various policies like Related Party Transactions Policy, Whistle Blower Policy, Policy to determine Material Subsidiaries and such other procedures for ensuring the orderly and efficient conduct of its business for 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.

SUBSIDIARY COMPANIES, JOINT VENTURE AND CONSOLIDATED FINANCIAL STATEMENTS:

Your Company has four subsidiaries viz., M/s. BCW V Tech India Private Ltd (Wholly owned Indian Subsidiary), LGB USA INC., (Direct Overseas Subsidiary), GFM Acquisition LLC and GFM LLC (Step down overseas subsidiaries) in USA. There is One Associate Company Viz., M/s. Renold Chain India Private Limited within the meaning of Section 2(6) of the Companies Act, 2013 (“Act”).

Statement containing salient features of financial statements of subsidiaries pursuant to Section 129(3) of the Companies Act, 2013 (Act) read with Rule 5 of The Companies (Accounts) Rules, 2014 is

annexed to this Report as “Annexure F” in the prescribed Form AOC-I.

As per the provisions of Section 136 of the Companies Act, 2013, the Company has placed separate audited accounts of its subsidiaries on its website www.lgb.co.in and copy of separate audited financial statements of its subsidiaries will be provided to the shareholders at their request.

The Company has laid down policy on Material subsidiary and the same is placed on the website <http://www.lgb.co.in/pdf/policy-on-material-subsidiaries.pdf>

None of the subsidiaries are material subsidiary as per the provisions of listing agreement.

ASSOCIATE COMPANY

Your Company has a 25:75 joint venture with M/s. Renold Holding PLC, United Kingdom. under the name of M/s. Renold Chain India Private Limited. This Joint Venture Company is created with an objective to use advanced technology and know-how for production of Industrial Chains.

In Financial Year 2014-15, JV achieved sales of ₹ 89.63 Crores (Net of Taxes) against ₹ 83.79 Crores (Net of Taxes) in 2013-14, thereby showing a growth of 7%. Growth in sales and margin improvement has resulted in net profit of ₹ 3.98 Crores as against net profit of ₹ 3.71 Crores in 2013-14.

NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

During the financial year ended 31st March, 2015, no entity became or ceased to be the subsidiary, joint venture or associate of the Company.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the financial year ended 31st March, 2015.

MANAGEMENT DISCUSSION & ANALYSIS AND CORPORATE GOVERNANCE REPORT

As required under the Listing Agreement with Stock Exchanges (“Listing Agreement”) a report on Corporate Governance together with the Auditors Certificate regarding compliance of the conditions of Management Discussion and Analysis and Corporate Governance are

annexed as **Annexure - G** and **Annexure - H** respectively to this Report.

AUDIT COMMITTEE

Audit Committee is in existence in accordance with the provisions of Section 177 of the Companies Act, 2013. Kindly refer to the Section on Corporate Governance, under the head, 'Audit Committee' for matters relating to the composition, meetings, and functions of the Committee. The Board was accepted the Audit Committee recommendations during the year whenever required, hence no disclosure required under section 177(8) of the Companies Act, 2013 with respect to rejection of any recommendations of Audit Committee by Board.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a Whistle Blower Policy for Directors and employees to report their genuine concern. The details of the same is explained in the Corporate Governance Report.

LISTING OF EQUITY SHARES

The Securities of your Company are listed with the National Stock Exchange of India Limited and **BSE Limited**. The Company has paid the Annual Listing Fees to the said stock exchanges for the financial year 2015-2016.

INDUSTRIAL RELATIONS

Your Company Firmly believes that people are its most valued resource and their efficiency plays a key role in achieving defined goals and building a competitive work environment. Many initiatives have been taken to support business through organizational efficiency, process change support and various employee engagement programmes

which has helped the Organization achieve higher productivity levels. In its pursuit to attract, retain and develop best available talents, several programmes are regularly conducted at various levels across the Company. Employee relations continued to be cordial and harmonious across all levels and at all the units of the Company.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company has in place an Anti-Sexual Harassment Policy in line with requirements, inter-alia, of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Compliance Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainee) are covered under this policy.

There was no complaint received from any employee during the financial year 2014-15 and hence no complaint is outstanding as on 31.03.2015 for redressal.

ACKNOWLEDGEMENT

The Directors place on record their sincere appreciation of the customers, suppliers and investors for the support extended. We also gratefully acknowledge the continued assistance and co-operation extended by Government authorities, financial institutions and banks to the Company.

The Directors wish hereby to place on record their appreciation of the efficient and loyal services rendered by each and every employee, without whom the growth of the Company is unattainable. Your Directors look forward to the long term future with confidence

Coimbatore
30.04.2015

By Order of the Board
B. VIJAYAKUMAR
Chairman cum Managing Director
DIN: 00015583

EXTRACT OF ANNUAL RETURN as on the financial year ended 31.03.2015

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

FORM NO. MGT - 9

1.	REGISTRATION AND OTHER DETAILS:	
i)	CIN	L29191TZ1956PLC000257
ii)	Registration Date	24/03/1956
iii)	Name of the Company	L.G.BALAKRISHNAN & BROS LIMITED
iv)	Category / Sub-Category of the company	Company having Share Capital
v)	Address of the Registered office and contact details	6/16/13 Krishnarayapuram Road, Ganapathy Post, Coimbatore - 641 006 Tel: 0422-2532325 Fax: 0422 - 2532333
vi)	Whether Listed Company Yes / No	Yes
vii)	Name, Address and contact details of Registrar and Transfer Agent, if any	M/s.Cameo Corporate Services Limited "Subramanian Building" No.1, Club House Road Chennai - 600 002 Phone No. 044 - 28460390

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 Products/ Service	% to total turnover of the Company
1.	Transmission	2814	76.30%
2.	Metal Forming	2592	17.61%

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.	BCW India V Tech Private Limited 6/16/13, Krishnarayapuram Road, Ganapathy Post, Coimbatore - 641 006	U72200TZ2006PTC012831	Subsidiary	100%	2(87)
2.	LGB USA INC. 1209, Orange Street City of Wilmington Country of New Castle, Delaware 19801	Foreign Company	Subsidiary	75.22%	2(87)
3.	GFM LLC, 29685 Calahan, Roseville Michigan 48044	Foreign Company	Stepdown Subsidiary	Holding by GFM Accq- uistion LLC 100%	2(87)
4.	GFM Accquistion LLC 29685 Calahan, Roseville Michigan 48044	Foreign Company	Stepdown Subsidiary	Holding by LGB USA 90.97%	2(87)
5.	Renold Chain India P Ltd 568/1A, 569/1&2 D. Gudalur Vedasanthur (T.K.) Dindigul 624 620	U27109TZ2008FTCO17737	Associate	25%	2(6)

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

i) Category-wise Share Holding

Category Code	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% Total Shares	Demat	Physical	Total	% Total Shares	
(A)	Promoter and Promoter Group									
(1)	Indian									
(a)	Individuals/ Hindu Undivided Family	2921950	-	2921950	37.23	6013100	-	6013100	38.31	1.08
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	664998	-	664998	8.47	1287980	-	1287980	8.20	-0.27
(d)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(1)	3586948	-	3586948	45.70	7301080	-	7301080	46.51	0.81
(2)	Foreign									
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	3586948	-	3586948	45.70	7301080	-	7301080	46.51	0.81
(B)	Public shareholding									
(1)	Institutions									
(a)	Mutual Funds/UTI	410000	-	410000	5.22	1782286	-	1782286	11.35	6.13
(b)	Financial Institutions/ Banks	1600	2	1602	0.02	5523	4	5527	0.04	0.02
(c)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors	300	650	950	0.01	6600	-	6600	0.04	0.03
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
	Any Other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	411900	652	412552	5.25	1794409	4	1794413	11.43	6.18

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

i) Category-wise Share Holding (Contd.)

Category Code	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% Total Shares	Demat	Physical	Total	% Total Shares	
(2)	Non-institutions									
(a)	Bodies Corporate	270298	2382	272680	3.47	318418	4604	323022	2.06	-1.41
(b)	Individuals -									
(i)	Individual shareholders holding nominal share capital up to ₹ 1 lakh.	1894938	339941	2234879	28.48	3258301	479447	3737748	23.81	-4.66
(ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	507137	607564	1114701	14.20	2031320	70948	2102268	13.39	-0.81
(c)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(d)	Any Other (specify)									
	NRIs/OCBs	36288	2150	38438	0.49	89083	3660	92743	0.59	0.10
	Clearing Member	24520	-	24520	0.31	26764	-	26764	0.17	-0.14
	Directors & Relatives	20328	27110	47438	0.60	40072	54520	94592	0.60	0.00
	Hindu Undivided Families	115948	-	115948	1.48	221478	-	221478	1.41	-0.06
	Trusts	-	-	-	-	2100	-	2100	0.01	0.01
	Sub-Total (B)(2)	2869457	979147	3848604	49.04	5987536	613179	6600715	42.05	-6.99
	Total Public Shareholding (B)= (B)(1)+(B)(2)	3281357	979799	4261156	54.29	7781945	613183	8395128	53.49	-0.80
	TOTAL (A)+(B)	6868305	979799	7848104	100.00	15083025	613183	15696208	100.00	-
(C)	Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-	-	-	-	-
	Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
	Public	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	6868305	979799	7848104	100.00	15083025	613183	15696208	100.00	-

Bonus shares allotted in the ratio of 1:1 on 10.07.2014

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)
ii) Shareholding of Promoters

S. No.	Shareholders Name	No. of Shares held at the beginning of the year 01.04.2014			No. of Shares held at the end of the year 31.03.2015			% change in share holding during the year
		No. of Shares	% of total Share of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Share of the Company	% of Shares Pledged / encumbered to total shares	
1	B. Vijayakumar	1,170,000	14.91	-	2,507,000	15.97	-	1.06
2	Vijayshree Vijayakumar	181	-	-	2,562	0.01	-	0.01
3	Vijayshree Karivardhan	6,125	0.08	-	12,250	0.08	-	-
4	V. Rajsri	544,788	6.94	-	1,089,576	6.94	-	-
5	V. Rajvirdhan	1,099,293	14.01	-	2,198,586	14.01	-	-
6	Arjun Karivardhan	50,852	0.65	-	101,704	0.65	-	-
7	K. Nithin	50,700	0.65	-	101,400	0.65	-	-
8	Rajiv Parthasarathy	1	-	-	2	-	-	-
9	K. Arjun	10	-	-	20	-	-	-
10	Elgi Automotive Services P Ltd	20,000	0.25	-	40,000	0.25	-	-
11	LGB Auto Products P Ltd	380,000	4.84	-	760,000	4.84	-	-
12	LG Farm Products P Ltd	200,000	2.55	-	400,000	2.55	-	-
13	Super Speeds P Ltd	6,690	0.08	-	13,380	0.08	-	-
14	LG Sports Ltd	500	0.01	-	1,000	0.01	-	-
15	Super Transports P Ltd	35,000	0.44	-	70,000	0.44	-	-
16	Silent chain India P Ltd	1,800	0.02	-	3,600	0.02	-	-
17	Tribe Investments and Services P Ltd	21,008	0.27	-	-	-	-	-0.27
	Total	3,586,948	45.70	-	7,301,080	46.50	-	0.80

iii) Change in Promoters' shareholding (Please specify, if there is no change)

	Name of the Shareholder	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	B.VIJAYAKUMAR				
	At the beginning of the year	1170000	14.91	1170000	14.91
	Transfer of shares as on 11.04.2014	81524	1.04	1251524	15.95
	Transfer of shares as on 18.04.2014	1976	0.03	1253500	15.97
	Bonus shares as on 10.07.2014	1253500	7.98	2507000	15.97
	At the end of the year	2507000	15.97	2507000	15.97
2	VIJAYSHREE VIJAYAKUMAR				
	At the beginning of the year	181	0.00	181	0.00
	Transfer of shares as on 18.04.2014	1100	0.01	1281	0.02
	Bonus shares as on 10.07.2014	1281	0.00	2562	0.02
3	VIJAYSHREE KARIVARDHAN				
	At the beginning of the year	6125	0.08	6125	0.08
	Bonus shares as on 10.07.2014	6125	0.04	12250	0.08
	At the end of the year	12250	0.08	12250	0.08
4	V.RAJSRI				
	At the beginning of the year	544788	6.94	544788	6.94
	Bonus shares as on 10.07.2014	544788	3.47	1089576	6.94
	At the end of the year	1089576	6.94	1089576	6.94
5	V.RAJVIRDHAN				
	At the beginning of the year	1099293	14.01	1099293	14.01
	Bonus shares as on 10.07.2014	1099293	7.00	2198596	14.01
	At the end of the year	2198596	14.01	2198596	14.01
6	ARJUN KARIVARDHAN				
	At the beginning of the year	50852	0.65	50852	0.65
	Bonus shares as on 10.07.2014	50852	0.32	101704	0.65
	At the end of the year	101704	0.65	101704	0.65
7	K.NITHIN				
	At the beginning of the year	50700	0.65	50700	0.65
	Bonus shares as on 10.07.2014	50700	0.32	101400	0.65
	At the end of the year	101400	0.65	101400	0.65
8	RAJIV PARTHASARATHY				
	At the beginning of the year	1	0.00	1	0.00
	Bonus shares as on 10.07.2014	1	0.00	2	0.00
	At the end of the year	2	0.00	2	0.00
9	K.ARJUN				
	At the beginning of the year	10	0.00	10	0.00
	Bonus shares as on 10.07.2014	10	0.00	20	0.00
	At the end of the year	10	0.00	20	0.00

iii) Change in Promoters' shareholding (Please specify, if there is no change) (Contd.)

	Name of the Shareholder	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
10	ELGI AUTOMOTIVE SERVICES PRIVATE LIMITED				
	At the beginning of the year	20000	0.25	20000	0.25
	Bonus shares as on 10.07.2014	20000	0.13	40000	0.25
	At the end of the year	40000	0.25	40000	0.25
11	LGB AUTO PRODUCTS PRIVATE LIMITED				
	At the beginning of the year	380000	4.84	380000	4.84
	Bonus shares as on 10.07.2014	380000	2.42	760000	4.84
	At the end of the year	760000	4.84	760000	4.84
12	LG FARM PRODUCTS PRIVATE LIMITED				
	At the beginning of the year	200000	2.55	200000	2.55
	Bonus shares as on 10.07.2014	200000	1.27	400000	2.55
	At the end of the year	400000	2.55	400000	2.55
13	SUPER SPEEDS PRIVATE LIMITED				
	At the beginning of the year	6690	0.08	6690	0.08
	Bonus shares as on 10.07.2014	6690	0.04	13380	0.08
	At the end of the year	13380	0.08	13380	0.08
14	LG SPORTS LIMITED				
	At the beginning of the year	500	0.01	500	0.01
	Bonus shares as on 10.07.2014	500	0.00	1000	0.01
	At the end of the year	1000	0.01	1000	0.01
15	SUPER TRANSPORTS PRIVATE LIMITED				
	At the beginning of the year	35000	0.44	35000	0.44
	Bonus shares as on 10.07.2014	35000	0.22	70000	0.44
	At the end of the year	70000	0.44	70000	0.44
16	SILENT CHAIN INDIA PRIVATE LIMITED				
	At the beginning of the year	1800	0.02	1800	0.02
	Bonus shares as on 10.07.2014	1800	0.01	3600	0.02
	At the end of the year	3600	0.02	3600	0.02
17	TRIBE INVESTMENTS AND SERVICES PRIVATE LIMITED				
	At the beginning of the year	22108	0.28	22108	0.28
	Transfer of shares as on 02.06.2014	10000	0.13	12108	0.15
	Transfer of shares as on 03.06.2014	2250	0.03	9858	0.13
	Transfer of shares as on 04.06.2014	1000	0.01	8858	0.11
	Transfer of shares as on 06.06.2014	4000	0.05	4858	0.06
	Transfer of shares as on 07.06.2014	4426	0.06	432	0.01
	Transfer of shares as on 10.06.2014	432	0.01	0	0.00
	At the end of the year	0	0.00	0	0.00

* Bonus shares allotted in the ratio of 1:1 on 10.07.2014

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

iv) Shareholding Pattern of Top Ten Shareholders (Other than directors, Promoters and Holders of GDRs and ADRs)

	Name of the Shareholder	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	RELIANCE SMALL CAP FUND				
	At the beginning of the year	410000	5.22	410000	5.22
	Transfer of shares as on 23.05.2014	50000	0.64	460000	5.86
	Transfer of shares as on 07.07.2014	(9714)	0.12	450286	5.74
	Transfer of shares as on 10.07.2014	(2485)	0.02	447801	2.85
	Bonus shares as on 10.07.2014	450286	2.87	900572	5.74
	Transfer of shares as on 18.07.2014	7229	0.05	907801	5.78
	Transfer of shares as on 27.03.2015	4800	0.03	912601	5.81
	Transfer of shares as on 31.03.2015	8735	0.05	921336	5.87
	At the end of the year	921336	5.87	921336	5.87
2	ASHOK KUMAR LODHA **				
	At the beginning of the year	49999	0.67	49999	0.67
	Transfer of shares as on 16.05.2014	(23499)	0.15	26500	0.17
	Bonus shares as on 10.07.2014	26500	0.17	53000	0.34
	Transfer of shares as on 30.01.2015	(13000)	0.08	40000	0.25
	Transfer of shares as on 06.02.2015	(13500)	0.09	26500	0.17
	At the end of the year	26500	0.17	26500	0.17
3	SHELLY DESAI **				
	At the beginning of the year	46563	0.59	46563	0.59
	Transfer of shares as on 04.04.2014	995	0.01	47558	0.61
	Bonus shares as on 10.07.2014	47558	0.30	95116	0.61
	Transfer of shares as on 18.07.2014	(46353)	0.29	48763	0.31
	Transfer of shares as on 08.08.2014	1679	0.01	50442	0.32
	Transfer of shares as on 05.09.2014	8496	0.05	58938	0.38
	Transfer of shares as on 31.10.2014	(210)	0.00	58728	0.37
	Transfer of shares as on 31.03.2015	955	0.01	57773	0.37
	At the end of the year	57773	0.37	57773	0.37
4	JNJ HOLDINGS PRIVATE LIMITED **				
	At the beginning of the year	42000	0.53	42000	0.53
	Transfer of shares as on 04.04.2014	(2996)	0.04	39004	0.5
	Transfer of shares as on 11.04.2014	(11000)	0.14	28004	0.36
	Transfer of shares as on 18.04.2014	(3181)	0.04	24823	0.32
	Transfer of shares as on 25.04.2014	(1975)	0.02	22848	0.29
	Transfer of shares as on 02.05.2014	(2707)	0.03	20141	0.26
	Transfer of shares as on 09.05.2014	(8179)	0.10	11962	0.15
	Transfer of shares as on 16.05.2014	(8400)	0.11	3562	0.04
	Transfer of shares as on 23.05.2014	(1100)	0.01	2462	0.03
	Transfer of shares as on 30.05.2014	(1900)	0.02	562	0.01
	Transfer of shares as on 06.06.2014	(561)	0.01	1	0.00
	Bonus shares as on 10.07.2014	1	0.00	2	0.00
	At the end of the year	2	0.00	2	0.00

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

iv) Shareholding Pattern of Top Ten Shareholders (Other than directors, Promoters and Holders of GDRs and ADRs)

	Name of the Shareholder	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
5	S.VIJAYA **				
	At the beginning of the year	26484	0.34	26484	0.34
	Bonus shares as on 10.07.2014	26484	0.17	52968	0.34
	Transfer of shares as on 05.09.2014	(2968)	0.02	50000	0.32
	Transfer of shares as on 12.09.2014	(2000)	0.01	48000	0.31
	Transfer of shares as on 10.10.2014	(1000)	0.01	47000	0.30
	Transfer of shares as on 07.11.2014	(1000)	0.01	46000	0.29
	At the end of the year	46000	0.29	46000	0.29
6	VINODCHANDRA MANSUKHLAL PAREKH**				
	At the beginning of the year	23854	0.30	23854	0.30
	Bonus shares as on 10.07.2014	23854	0.15	47708	0.30
	At the end of the year	47708	0.30	47708	0.30
7	SANJEEV VINODCHANDRA PAREKH**				
	At the beginning of the year	23683	0.30	23683	0.30
	Bonus shares as on 10.07.2014	23683	0.15	47366	0.30
	At the end of the year	47366	0.30	47366	0.30
8	KUMARPAL MANSUKHLAL PAREKH **				
	At the beginning of the year	19270	0.24	19270	0.24
	Bonus shares as on 10.07.2014	19270	0.12	38540	0.24
	At the end of the year	38540	0.24	38540	0.25
9	FRANKLIN INDIA SMALLER COMPANIES FUND*				
	At the beginning of the year	0	0	0	0
	Transfer of shares as on 31.12.2014	190000	1.21	190000	1.21
	Transfer of shares as on 02.01.2015	32608	0.21	222608	1.42
	Transfer of shares as on 30.01.2015	4756	0.03	227364	1.45
	Transfer of shares as on 06.02.2015	62636	0.40	290000	1.84
	Transfer of shares as on 13.06.2015	3056	0.02	293056	1.87
	Transfer of shares as on 20.02.2015	4227	0.03	297283	1.89
	Transfer of shares as on 27.02.2015	12717	0.08	310000	1.97
	Transfer of shares as on 27.03.2015	10000	0.06	320000	2.04
	Transfer of shares as on 31.03.2015	863	0.00	320863	2.04
	At the end of the year	320863	2.04	320863	2.04

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

iv) Shareholding Pattern of Top Ten Shareholders (Other than directors, Promoters and Holders of GDRs and ADRs)

	Name of the Shareholder	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
10	ANIL KUMAR GOEL*				
	At the beginning of the year	0	0	0	0
	Transfer of shares as on 18.04.2014	60529	0.77	60529	0.77
	Transfer of shares as on 16.05.2014	46816	0.60	107345	1.36
	Transfer of shares as on 23.05.2014	9155	0.12	116500	1.48
	Bonus shares as on 10.07.2014	116500	0.74	233000	1.48
	Transfer of shares as on 01.08.2014	1000	0.01	234000	1.49
	Transfer of shares as on 13.02.2015	50	0.00	234050	1.49
	Transfer of shares as on 27.02.2015	104	0.00	234154	1.49
	Transfer of shares as on 06.03.2015	5846	0.04	240000	1.53
	At the end of the year	240000	1.53	240000	1.53
11	SUNDARAM SMILE FUND*				
	At the beginning of the year	0	0	0	0
	Transfer of shares as on 30.06.2014	8140	0.10	8140	0.10
	Transfer of shares as on 04.07.2014	63958	0.81	72098	0.92
	Bonus shares as on 10.07.2014	72098	0.46	144196	0.92
	Transfer of shares as on 08.08.2014	10157	0.06	154353	0.98
	Transfer of shares as on 05.09.2014	(4353)	0.03	150000	0.95
	Transfer of shares as on 02.01.2015	10000	0.06	160000	1.02
	Transfer of shares as on 06.02.2015	2000	0.01	162000	1.03
	Transfer of shares as on 20.03.2015	7691	0.05	169691	1.08
	Transfer of shares as on 27.03.2015	10372	0.07	180063	1.15
	At the end of the year	180063	1.15	180063	1.15
12	BV EDUCATION FOUNDATION*				
	At the beginning of the year	110000	1.40	110000	1.40
	Bonus shares as on 10.07.2014	110000	0.70	220000	1.40
	Transfer of shares as on 30.09.2014	(1000)	0.01	219000	1.39
	Transfer of shares as on 03.10.2014	(7000)	0.04	212000	1.35
	Transfer of shares as on 10.10.2014	(6500)	0.04	205500	1.31
	At the end of the year	205500	1.31	205500	1.31
13	BV MEDICAL FOUNDATION*				
	At the beginning of the year	110000	1.40	110000	1.40
	Bonus shares as on 10.07.2014	110000	0.70	220000	1.40
	Transfer of shares as on 05.09.2014	(18250)	0.11	201750	1.28
	Transfer of shares as on 12.09.2014	(20750)	0.13	181000	1.15
	Transfer of shares as on 19.09.2014	(12500)	0.08	168500	1.07
	Transfer of shares as on 30.09.2014	(11500)	0.07	157000	1.00
	At the end of the year	157000	1.00	157000	1.00

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

iv) Shareholding Pattern of Top Ten Shareholders (Other than directors, Promoters and Holders of GDRs and ADRs)

	Name of the Shareholder	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
14	L & T EMERGING BUSINESSES FUND*				
	At the beginning of the year	0	0	0	0
	Transfer of shares as on 20.06.2014	44200	0.56	44200	0.56
	Transfer of shares as on 30.06.2014	18500	0.23	62700	0.80
	Bonus shares as on 10.07.2014	62700	0.40	125400	0.80
	At the end of the year	125400	0.80	125400	0.80
15	L & T BUSINESS CYCLES FUND*				
	At the beginning of the year	0	0	0	0
	Transfer of shares as on 22.08.2014	30640	0.19	30640	0.19
	Transfer of shares as on 29.08.2014	7252	0.05	37892	0.24
	Transfer of shares as on 05.09.2014	19470	0.12	57362	0.36
	Transfer of shares as on 12.09.2014	35638	0.23	93000	0.59
	Transfer of shares as on 19.09.2014	886	0.01	93886	0.60
	Transfer of shares as on 30.09.2014	10771	0.07	104657	0.67
	Transfer of shares as on 03.10.2014	7748	0.05	112405	0.72
	Transfer of shares as on 14.11.2014	1144	0.01	113549	0.72
	At the end of the year	113549	0.72	113549	0.72
16	NOZER JASI SHROFY*				
	At the beginning of the year	0	0	0	0
	Transfer of shares as on 06.03.2015	60000	0.38	60000	0.38
	At the end of the year	60000	0.38	60000	0.38
17	R.SRINIVASAN				
	At the beginning of the year	73490	0.94	73490	0.94
	Bonus shares as on 10.07.2014	73490	0.47	146980	0.94
	At the end of the year	146980	0.94	146980	0.94
18	LGB EDUCATIONAL FOUNDATION **				
	At the beginning of the year	387564	4.94	387564	4.94
	Transfer of shares as on 23.05.2014	(33064)	0.42	354500	4.52
	Transfer of shares as on 30.05.2014	(33500)	0.43	321000	4.10
	Transfer of shares as on 06.06.2014	(37500)	0.48	283500	3.61
	Transfer of shares as on 13.06.2014	(31876)	0.41	251624	3.21
	Transfer of shares as on 20.06.2014	(30139)	0.38	221485	2.82
	Transfer of shares as on 30.06.2014	(106485)	1.36	115000	1.46
	Transfer of shares as on 04.07.2014	(115000)	1.46	0	0
	At the end of the year	0	0	0	0

* Not in the list of Top 10 Shareholders as on 31.03.2014. The same has been reflected above since the Shareholder was one of the Top 10 Shareholders as on 31.03.2015

** Ceased to be in the list of Top Shareholders as on 31.03.2015. The same is reflected above since the Shareholder was one of the Top 10 Shareholders as on 31.03.2014.

v) Shareholding of Directors and Key Managerial Personnel

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of Company	No. of Shares	% of total shares of Company
Sri. B. Vijayakumar	1,170,000	14.91	2,507,000	15.97
Sri. P. Prabakaran	200	-	400	-
Smt. Rajsri V	544,788	6.94	1,089,576	6.94
Sri. V. Rajvirdhan	1,099,293	14.01	2,198,586	14.01
Dr. T. Balaji	400	-	800	-
Sri. P. Balasubramanian	1,000	0.01	2,000	0.01
Sri. S. Sivakumar	642	0.01	1,300	0.01
Sri. V. Govindarajulu	-	-	-	-
Sri. P. Shanmugasundaram	-	-	-	-
Sri. R. Vidhya Shankar	-	-	-	-
Sri. N. Rengaraj, Chief Financial Officer	10	-	20	-
Sri. M. Lakshmikanth Joshi, General Manager	-	-	-	-
Cum Company Secretary	-	-	-	-

Bonus shares allotted in the ratio of 1:1 on 10.07.2014

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	8,659.63	2,695.00	957.25	12,311.88
ii) Interest due but not paid	9.90	88.69		98.59
iii) Interest accrued but not due				
Total (i+ii+iii)	8,669.53	2,783.69	957.25	12,410.47
Change in Indebtedness during the financial year				
Addition	5,834.84	817.06	-	6,651.90
Reduction	1,475.00	2,050.00	957.25	4,482.25
Net Change	4,359.84	(1,232.94)	(957.25)	2,169.65
Indebtedness at the end of the financial year				
i) Principal Amount	13,012.62	1,550.75	-	14,563.37
ii) Interest due but not paid	16.75	-	-	16.75
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	13,029.37	1,550.75	-	14,580.12

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

₹ in Lakhs

Sl. No	Particulars of Remuneration	Sri. B. Vijayakumar Chairman cum Managing Director	Sri. P. Prabakaran Deputy Managing Director	Total
	Gross Salary			
1	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	70.74	33.60	104.34
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Options	-	-	-
3	Sweat Equity	-	-	-
4	Commission	162.89	24.43	187.32
	- as % of profit	2%	0.3%	2.3%
	- others, specify	-	-	-
5	Others, please specify i. Deferred bonus (pertaining to the current Financial year payable in 2018) ii. Retirals	-	-	-
	Total (A)	233.63	58.03	291.66

Note : Remuneration shown above includes salary, allowances, (based on receipt), Company's contribution to Provided fund.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

B. Remuneration to other Directors:

1. Independent Directors

Name of Directors	Particulars of Remuneration			Total (B)(1) ₹ in Lakhs
	Fee for attending Board / committee Meetings	Commission	Others, please specify	
Sri. P. Balasubramanian	1.20	-	-	1.20
Sri. V. Govindarajulu	1.35	-	-	1.35
Sri. P. Shanmugasundaram	1.35	-	-	1.35
Dr. T. Balaji	0.75	-	-	0.75
Sri. R. Vidhya shankar	0.45	-	-	0.45
Total Amount in Lakhs	5.10	-	-	5.10

2. Non Executive Directors

₹ in Lakhs

Name of Directors	Particulars of Remuneration			Total (B)(2)	Total (B) = (B)(1) + (B)(2)
	Fee for attending Board / committee Meetings	Commission	Others, please specify		
Smt. V. Rajsri	0.60	-	-	0.60	
Sri. V.Rajvirdhan	0.45	-	-	0.45	
Sri. S.Sivakumar	0.45	-	-	0.45	
Total Amount ₹ in Lakhs	1.50	-	-	1.50	6.60

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

₹ in Lakhs

Sl. No	Particulars of Remuneration	Sri. N. Rengaraj Chief Financial Officer	Sri. Lakshmikanth Joshi General Manager Cum Company Secretary	Total Amount
	Gross Salary			
1	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	24.94	19.97	44.91
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2	Stock Options	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	24.94	19.97	44.91

Note : Remuneration shown above includes Salary, allowances, Bonus, Incentive (Based on receipts).

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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

For and on behalf of Board of Directors

Coimbatore
30.04.2015

B. VIJAYAKUMAR
Chairman cum Managing Director
DIN: 00015583

P. PRABAKARAN
Deputy Managing Director
DIN : 01709564

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH, 31, 2015

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

To

The Members,
L.G. BALAKRISHNAN & BROS LIMITED
CIN: L29191TZ1956PLC000257
6/16/13 Krishnarayapuram Road
Ganapathy, Coimbatore -641 006

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. **L G Balakrishnan & Bros Limited**(hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of M/s. **L G Balakrishnan & Bros Limited's books**, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment;

v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

I have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

I report that, during the year under review, the Company has complied with the provisions of the Acts, rules, regulations and guidelines mentioned above.

I further report that, there were no actions/ events in pursuant of

- a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

requiring compliance thereof by the Company during the financial year and the Secretarial Standards issued by The Institute of Company Secretaries of India were not applicable during the year.

I further report that based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of quarterly compliance reports by respective department heads and Company Secretary taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general laws like labour laws and environmental laws.

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda

were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board meetings and Committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

I further report that, during the audit period, the Company has issued bonus equity shares and the members have passed special resolutions under Section 180(1)(a) to create charge to secure the Borrowings of the Company and under Section 180(1)(c) of the Act empowering the Board of Directors to borrow moneys in excess of the aggregate of paid-up capital and free reserve provided that the amounts borrowed and outstanding at any point of time does not exceed Rs.300 crores apart from temporary loans obtained from the bankers in the ordinary course of business. Other than these, there were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

Signature :

M D Selvaraj
MDS & Associates
Company Secretaries
FCS No.: 960
C P No.: 411

Place : Coimbatore

Date : 30.04.2015

This report is to be read with our letter of even date which is annexed as Annexure A and forms and integral part of this report

‘Annexure A’

To
The Members,
L G BALAKRISHNAN & BROS LIMITED
CIN: L29191TZ1956PLC000257
6/16/13 Krishnarayapuram Road
Ganapathy
Coimbatore -641 006

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in

secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulation, standards is the responsibility of management. My examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Signature :

M D Selvaraj
MDS & Associates
Company Secretaries
FCS No.: 960
C P No.: 411

Place : Coimbatore
Date : 30.04.2015

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO
[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY

LGB is making continuous efforts to conserve and optimize the energy wherever possible by economizing on fuel and power.

During the year, LGB taken lot of effects to introduced energy conservation methods and achieved some considerable amount of saving in power & fuel cost. The Company implemented various latest technologies in manufacturing activities and thereby improving the production efficiency without consuming additional energy. Also replaced the old version lighting system in to latest technology Induction lamps in shop floor as well as outdoor lighting. The Company also installed LED lights in new project for outdoor application. Based on the findings, various formation of conservation measures have been taken to reduce power and fuels used by production equipments and utilities system.

Green Power:

LGB has installed 22 number of windmills with a total rated capacity of 7.16 MW. The total number of units of energy generated from these windmills was around 112.82 lakhs units which were used for captive consumption. Also the Company has installed 2 number of ON GRID solar power plants for a rated capacity of 100 KW each. The number of units generated through this solar system was around 1.35 lakhs units/Per 100 KW Solar Plant/Annum. All the above green power has supported the energy requirement of company and minimized the power cost certainly.

(B) TECHNOLOGY ABSORPTION-

(i) the efforts made towards technology absorption -

- continuous interaction with experts in drive train systems
- Product Benchmarking and Innovative Testing
- Training

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution

- Import substitution of chains
- Export of chains

(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 : Silent Chain Technology for 4wd Application
- (b) the year of import : 2009-2011
- (c) whether the technology been fully absorbed : In phases

(iv) the expenditure incurred on Research and Development

The Company has incurred a total expenditure of ₹.377.31 Lakhs (includes capital and recurring expenses) towards Research and Development.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange earned	: ₹ 9,811.78 Lakhs
Foreign Exchange used	: ₹ 9,123.64 Lakhs

By Order of the Board

B. VIJAYAKUMAR

Chairman cum Managing Director

DIN: 00015583

Coimbatore
30.04.2015

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

A brief outline of the (CSR) policy, including overview of projects or programs proposed to be undertaken and a reference to the weblink to the CSR policy and projects or programs:

The Company's CSR policy has been uploaded in the website of the Company under the website: <http://www.lgb.co.in/pdf/corporate-social-responsibility-policy.pdf>

Composition of the CSR Committee

Sri. B.Vijayakumar	-	Chairman
Smt. V.Rajsri	-	Member
Sri. R.Vidhyashankar	-	Member

Average net profit of the Company for the last three financial years

Average net profit: ₹ 5718.98 Lakhs

Prescribed CSR expenditure (2% of the average net profit of the last three financial years)

The Company during the financial year 2014-15 is required to spend ₹114.38 Lakhs towards CSR.

Details of CSR spent during the financial year:

- Total amount spent for the financial year; ₹116.41 Lakhs
- Amount unspent, if any; NIL

Manner in which amount spent during the financial year is detailed below:

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 ₹ in Lakhs	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads; ₹ in Lakhs	Cumulative expenditure up to the reporting period ₹ in Lakhs	Amount spent Direct or through implementation agency
1	School Renovation/ Facilities	Promoting Education, including Special Education	Coimbatore - Tamilnadu	75.00	75.00	75.00	Direct
2	Special Education	- do -	Coimbatore - Tamilnadu	1.00	0.55	0.55	Direct
3	Fees / Other expenses to needy students	- do -	Tamilnadu	40.00	34.11	34.11	Through Implementation Agency
4	Hospital Charges for needy patients	Health care	Tamilnadu	9.00	6.75	6.75	- do -
Total				125.00	116.41	116.41	

Responsibility Statement of CSR Committee

The CSR Committee confirms that the implementation and governance of CSR programmes have been elaborated in the Company's CSR Policy. The CSR Committee further confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

P. PRABAKARAN
Deputy Managing Director
DIN : 01709564

B. VIJAYAKUMAR
Chairman CSR Committee
DIN : 00015583

Disclosure under Section 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year ended 31 March, 2015

(in lakhs)

Sr. No	Director	Category	Remuneration	Median Remuneration	Ratio
1	Sri.B.Vijayakumar	Chairman Cum Managing Director	70.74	2.40	29 : 1
2	Sri.P.Prabakaran	Deputy Managing Director	33.60	2.40	14 : 1
3	Smt. V.Rajsri	Non-Executive Promoter	-	-	-
4	Sri.V.Rajvirdhan	Non-Executive Promoter	-	-	-
5	Sri.S.Sivakumar	Non-Executive Non-Independent	-	-	-
6	Sri.P.Balasubramanian	Non- Executive Independent	-	-	-
7	Dr.T.Balaji	Non-Executive Independent	-	-	-
8	Sri.V.Govindarajulu	Non- Executive Independent	-	-	-
9	Sri.P.Shanmugasundaram	Non- Executive Independent	-	-	-
10	Sri.R.Vidhya Shankar	Non- Executive Independent	-	-	-

Note: For this purpose, sitting fees paid to the Directors have not been considered as remuneration

2. Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year

Sr.No	Director	Category	% increase
1	Sri.B.Vijayakumar	Chairman Cum Managing Director	16
2	Sri.P.Prabakaran	Deputy Managing Director	-
3	Smt. V.Rajsri	Non-Executive Promoter	-
4	Sri.V.Rajvirdhan	Non-Executive Promoter	-
5	Sri.S.Sivakumar	Non-Executive Non-Independent	-
6	Sri.P.Balasubramanian	Non- Executive Independent	-
7	Dr.T.Balaji	Non-Executive Independent	-
8	Sri.V.Govindarajulu	Non- Executive Independent	-
9	Sri.P.Shanmugasundaram	Non- Executive Independent	-
10	Sri.R.Vidhya Shankar	Non- Executive Independent	-

Company Secretary & CFO

1	Sri.N.Rengaraj	Chief Financial Officer	12
2	Sri.M.Lakshmikanth Joshi	General Manager & Company Secretary	12

3. Percentage increase in the median remuneration of employees in the financial year. **12**
4. Number of permanent employees on the rolls of Company as on 31st March, 2015. **1503**

<p>5. Explanation on the relationship between average increase in remuneration and Company performance</p>	<p>There is no direct relationship between the average increase in remuneration and Company performance. Increments are linked to the Cost of Living Index and Market Compensation.</p>
<p>6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company</p>	<p>The Key Managerial Personnel were collectively paid a remuneration of ₹ 336.57 Lakhs for the financial year. This represent 0.32% of the standalone turnover of ₹ 105,110.65 Lakhs of the Company and 5.23% of its Standalone Net Profit after tax of ₹ 6,439.60 Lakhs.</p> <p>The Company believes the Key Managerial Personnel have been compensated commensurate with their knowledge, experience and contribution, notwithstanding the fact that their collective remuneration does not impact the Company's performance significantly.</p>
<p>7. Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year</p>	<p>Variations in the market capitalization</p> <p>Market capitalization as at 31st March, 2014: 31793 Lakhs</p> <p>Market capitalization as at 31st March, 2015: 86250 Lakhs*</p> <p>* capital enhanced by issue of Bonus Shares in the Ratio of 1:1</p> <p>Variations in the PE Ratio</p> <p>PE Ratio as at 31st March, 2014: 11.70</p> <p>PE Ratio as at 31st March, 2015: 13.39</p> <p>This is not comparable since after the initial Public offer, the Company has come out with Rights Issue, several Bonus issues, Subdivision of Face value from ₹ 100/- into ₹ 10/- ; ₹ 10/- into ₹ 1/- and consolidation of Face value of ₹ 1/- into ₹ 10/- Allotment of Equity Shares of ₹ 10/- each in the ratio of 1:5 to the Shareholders of M/s. LGB Industries Limited due to Merger, Preferential Allotment of 5532714 Equity Shares of ₹ 1/- each to International Finance Corporation, Reduction of Capital by extinguishing 56,58,000 Equity Shares of ₹ 1/- each the present capital forms 1,56,96,208 Equity Shares of ₹ 10/- each.</p>
<p>8. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration</p>	<p>Average increase in remuneration is 12% for employees and managerial personnel</p>

9. Key parameters for any variable component of remuneration availed by the directors	The Chairman cum Managing Director and Deputy Managing Director of the Company are entitled for commission @ 2% & 0.3% the Net profits of the Company calculated under the relevant provisions of the Act as approved by the Shareholders at the Annual General Meeting held on July 10, 2009 & June 15, 2011. The rest of the Non-Executive Directors all being Independent receive only sitting fees
10. Ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year	NIL
11. Affirmation that the remuneration is as per the remuneration policy of the Company	Your Director affirm that the remuneration is as per the Nomination and Remuneration Policy of the Company.

FORM AOC-1

(Pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the Financial Statement of Subsidiaries/Associate Companies/Joint Ventures.

Part "A" : Subsidiaries
Figures in Lakhs

1.	Name of the Subsidiary Company		BCW V Tech India Private Limited	LGB USA INC & its Subsidiaries
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period		01.04.2014 to 31.03.2015	01.01.2014 to 31.12.2014
3	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries		INR	USD
4	Share Capital	Foreign Currency Indian Currency	499.99	32.90 1,885.86
5	Reserves & surplus	Foreign Currency Indian Currency	225.62	25.36 1,629.96
6	Total Liabilities	Foreign Currency Indian Currency	856.36	62.50 3,894.09
7	Total Assets	Foreign Currency Indian Currency	1,581.97	120.76 7,409.91
8	Investments		NIL	NIL
9	Turnover and other income	Foreign Currency Indian Currency	1355.24	183.18 11,179.42
10	Profit before Taxation	Foreign Currency Indian Currency	70.81	13.43 843.34
11	Provision for Taxation	Foreign Currency Indian Currency	11.34	Nil Nil
12	Profit after Taxation	Foreign Currency Indian Currency	59.47	13.43 843.34
13	Proposed Dividend	Foreign Currency Indian Currency	Nil	NIL Nil
14	% of share holding		100	75.22

* LGB USA INC. figures presented along with Subsidiaries

Notes:

- Names of Subsidiaries which are yet to commence operations : None
- Names of Subsidiaries which have been liquidated or sold during the year: None

FORM AOC-1 (Contd.)

(Pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the Financial Statement of Subsidiaries/Associate Companies/Joint Ventures.

Part "B": Associates and Joint Ventures

1	Name of the Associate Company	Renold Chain India Private Limited
2	Latest audited Balance Sheet Date	31 st March, 2015
3	Shares of Associate/Joint Ventures held by the Company	
	on the year end: No. of shares (equity)	10250000
	Amount of investment in Associates / Joint Venture	₹ 1025.00 Lakhs
	Extend of Holding %	25%
4	Description of how there is significant influence	Percentage of holding of share capital
5	Reason why the Associate is not consolidated	NA
6	Networth attributable to shareholding as per latest audited Balance Sheet	₹ 1448.43 Lakhs
7	Profit/Loss for the year:	
	i. Considered in Consolidation	₹ 58.04 Lakhs
	ii. Not considered in Consolidation	₹ 174.11 Lakhs

Notes:

- Names of the Associate or Joint Ventures which are yet to commence operations : None
- Names of Associate or Joint Ventures which have been liquidated or sold during the year: None

Annexure - 'G'

MANAGEMENT DISCUSSION AND ANALYSIS REPORT
**MANAGEMENT DISCUSSION AND ANALYSIS REPORT
INDUSTRY STRUCTURE AND DEVELOPMENT**
INDUSTRY STRUCTURE AND DEVELOPMNET

Our Company has performed well in all our products especially with our two wheeler account. It is excepted the trend will continue and any down turn will be temporary.

We have invested heavily in the last three years and an amount of almost ₹ 215 Crores have been spend in upgrading our existing facilities as well as in expanding capacity's.

We are confident that having geared ourselves for the future, the future will not let us down and we shall continue our good performances.

OPPORTUNITIES

Our Country has a population of upward of 1.4 billion people out of this hardly 25% have personal mobility. As the Country continues to develop and GDP improves, more

people will improve their standard and quality of living and will opt for personal vehicles.

The four wheeler industry is also set to pickup and become hub for manufacturers for whole world .

THREATS

The power situation in our Country is always high and this could lead to higher cost of manufacturing for us and our client.

If the power cost and other manufacturing cost as well as forex rates are adverse in future it could lead not only to a drop in our profitability but open the gates for imports and restrict our exports.

RISKS AND CONCERNS

The Company has put in place a risk management policy to identify the nature and magnitude of risk associated with the Company and to take steps for mitigating the impact of such risks. These are reviewed periodically and placed before the Board.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control systems to monitor internal business process, financial reporting and compliance with applicable laws. The company periodically reviews the adequacy and effectiveness of the control systems.

The Audit Committee at their meetings regularly reviews the significant observations of the compliance and other monitoring reports. The heads of various monitoring / operating cells and statutory auditors are invited to attend the Audit Committee meetings

HEALTH, SAFETY, SECURITY ENVIRONMENT

The Company already has in place its own Safety System. Regular training is imparted to the workers and staff at all levels. The increased focus on safety has resulted in improved safety records at all our Plants and thus has improved the working environment.

HUMAN RESOURCES / INDUSTRIAL RELATIONS

Employer - employee relations continued to remain cordial during the year. Training and development of employees

continue to be an area of prime importance. The devotion and commitment of our employees has enabled the Company to fulfill its targets and deadlines in time.

RISK MANAGEMENT

Risk Management is an integral part of the business process, with the help of experts, the Company mapped the risks at the business processes and enterprise levels and evolved a risk management framework. Mitigative measures have been identified in respect of the latter. These would be periodically reviewed by the Board of Directors.

CAUTIONARY STATEMENT

The Management Discussion and Analysis Report contains forward looking statements based upon the data available with the Company, assumptions with regard to global economic conditions, the government policies etc. The Company cannot guarantee the accuracy of assumptions and perceived performance of the Company in future. Therefore, it is cautioned that the actual results may materially differ from those expressed or implied in the report.

Coimbatore
30.04.2015

By Order of the Board
B. VIJAYAKUMAR
Chairman cum Managing Director
DIN: 00015583

CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance

LGB applies the principles of sound corporate governance and the Company has always been at the forefront of benchmarking its internal systems and policies within accepted standards so as to facilitate the creation of long term value for its shareholders and all other stakeholders.

2. Board of Directors

Your Company's Board has an optimum combination of executive, non-executive and independent directors as per requirements of Clause 49 of the Listing Agreement. The details of composition of the Board of Directors and directorship held in other companies / board committees by each member of the Board of Directors of the Company as on 31st March, 2015 is as under:

Name of the Directors	Category	No of Directorship in other Companies*	** No. of Board Committee Memberships/ Chairmanships held		Attendance Particulars	
			Member	Chairman	Board Meeting	Last AGM
Sri. B. Vijayakumar Chairman Cum Managing Director	Executive Promoter	8	3	-	4	Yes
Sri. P. Prabakaran Deputy Managing Director	Executive	3	-	-	4	Yes
Smt. V. Rajsri	Non-Executive Promoter	2	-	-	4	Yes
Sri. V. Rajvirdhan	Non-Executive Promoter	5	-	-	3	Yes
Sri. S. Sivakumar	Non-Executive Non-Independent	5	-	-	3	Yes
Sri. P. Balasubramanian	Non- Executive Independent	-	1	-	4	Yes
Dr. T. Balaji	Non-Executive Independent	2	1	-	4	Yes
Sri. V. Govindarajulu	Non- Executive Independent	-	1	1	4	Yes
Sri. P. Shanmugasundaram	Non- Executive Independent	1	-	2	4	Yes
Sri. R. Vidhya Shankar	Non- Executive Independent	1	1	1	2	No

* Exclude Directorship in Private Companies and Foreign Companies.

** Only Audit Committee and Stakeholders' Relationship Committee has been considered as per Clause 49 of the Listing Agreement.

As per the disclosures received from the Directors, none of the Directors serve as member of more than 10 Committees nor are they the Chairman / Chairperson of more than 5 Committees, as per the requirements of the Listing Agreement.

2.1 Details of the Board meetings held during the financial year 2014 - 2015

During the year, 4 (Four) Meetings of the Board of Directors of the Company were held on 15th May 2014, 01st August, 2014, 06th November, 2014, and 30th January, 2015.

3. Audit Committee

The Board has constituted a well-qualified Audit Committee in compliance with Section 177 of the Companies Act, 2013 and clause 49 of the Listing Agreement. All the members of the Committee are Independent Directors including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc.

3.1 Terms of Reference:-

The terms of reference of this committee has been mandated with the same as specified in Clause 49 of the Listing Agreement with Stock Exchange and also with the requirement of Section 177 of the Companies Act, 2013.

3.2 Composition & Meetings:-

During the financial year ended 31st March 2015, four Audit Committee Meetings were held on 14th May, 2014, 31st July, 2014, 05th November, 2014 and 29th January, 2015. The necessary quorum was present at these meetings, and the details of meetings attended by the Members are as follows:

Name of the Member	Category	Designation	No of Meetings	
			Held	Attended
Sri. P. Shanmugasundaram	Independent Non Executive	Chairman	4	4
Sri. V. Govindarajulu	Independent Non Executive	Member	4	4
Sri. P. Balasubramanian	Independent Non Executive	Member	4	3

Chairman of the Audit Committee had attended the last Annual General Meeting.

The Deputy Managing Director, Chief Financial Officer, Statutory Auditors, Internal Auditors and Cost Auditor are the permanent invitees of the Audit Committee and the Company Secretary attended the meetings as Secretary of the Committee.

The audited quarterly results, annual audit plan, compliance with accounting standards, audit observation on the Annual Accounts and other related matters are discussed by the Audit Committee. The significant observations of the Internal Auditor and the follow-up action on matters raised are also reviewed by the Committee.

The Audit Committee has considered and reviewed the quarterly audited accounts & annual financial statements for the year 2014-2015 and recommended to the Board for its adoption.

4. Nomination and Remuneration Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges, the nomenclature of Remuneration Committee was changed to "Nomination and Remuneration Committee" The Composition of Committee and attendance is given below:-

4.1 Terms of Reference:-

The terms of reference of this Committee has been mandated with the same as specified in Clause 49 of the Listing Agreement with Stock Exchange and also with the requirement of Section 178 of the Companies Act, 2013.

4.2 Composition and Attendance at the Meeting

The Committee comprises of 3 Non-Executive Independent Directors and an Executive Director. The Chairman is a Non-Executive Independent Director. The Committee during the year ended 31.03.2015 had met three times on 08.05.2014, 05.11.2014 and 30.01.2015. The attendance of the members was as under:-

Name of the Member	Category	Designation	No of Meetings	
			Held	Attended
Sri. R. Vidhya Shankar	Independent, Non Executive	Chairman	3	3
Sri. P. Balasubramanian	Independent, Non Executive	Member	3	3
Sri. B. Vijayakumar wef 30.01.2015	Non Independent	Member	1	1
Sri. P. Balasubramanian	Independent, Non Executive	Member	3	3

4.3 Remuneration Policy

This Committee shall identify the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every Director's performance. Committee shall also formulate the criteria for determining qualifications, positive attributes, independent of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

4.4 Details of Remuneration paid to Directors during the financial year 2014-2015

a) Remuneration paid/payable to the Executive Directors for the financial year ended March 31, 2015 is given as under :

Name of Directors	Service Contract	Salary & Allowances	Commission	Employees Stock Option Plan	Total
Sri.B.Vijayakumar Chairman cum Managing Director	01.01.2010 to 31.12.2014 Re-appointed for another term commencing from 01.01.2015 to 31.12.2019*	70.74	162.89	Nil	233.63
Sri.P.Prabakaran Deputy Managing Director	01.06.2011 to 31.05.2016	33.60	24.43	Nil	58.03

* subject to the approval of the Shareholders at the ensuing Annual General Meeting.

Salary & allowances includes salary and Company's contribution to Provident Fund.

(b) Remuneration paid/payable to the non-executive Directors for the financial year ended March 31, 2015 is given as under

The Non-Executive Directors were not paid any remuneration except sitting fees for attending the meetings of the Board of Directors and / or Committees thereof. The details of the sitting fees paid to the Non-Executive Directors are as under:

Name of Directors	Sitting Fees ₹	Commission	Employees Stock Option Plan	Total ₹
Sri.P.Balasubramanian	1,20,000	-	-	1,20,000
Sri.S.Sivakumar	45,000	-	-	45,000
Sri.V.Govindarajulu	1,35,000	-	-	1,35,000
Sri.P.Shanmugasundaram	1,35,000	-	-	1,35,000
Dr.T.Balaji	75,000	-	-	75,000
Sri.V.Rajvirdhan	45,000	-	-	45,000
Sri.R.Vidhya Shankar	45,000	-	-	45,000
Smt.V.Rajsri	60,000	-	-	60,000
Total	6,60,000	-	-	6,60,000

c) Statement showing number of Equity Shares of ₹ 10/- each of the Company held by the present Non-Executive Directors as on March 31,2015:

Name	No. of shares held (as on 31.03.2015)	% of Holding
Smt. V. Rajsri	1,089,576	6.94
Sri. V. Rajvirdhan	2,198,586	14.01
Dr. T. Balaji	800	0.00
Sri. P. Balasubramanian	2,000	0.01
Sri. S. Sivakumar	1300	0.01
Sri. V. Govindarajulu	-	-
Sri. P. Shanmugasundaram	-	-
Sri. R. Vidhya Shankar	-	-

There has been no materially relevant pecuniary transaction or relationship between the Company and its non-executive independent Directors during the year.

The Company currently does not have any stock option scheme.

5. Stakeholders' Relationship Committee:

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges, the nomenclature of Shareholders' / Investors' Grievance Committee was changed to "Stakeholders' Relationship Committee".

This Committee is responsible for the satisfactory redressal of investors' complaints pertaining to share transfers, non-receipt of annual reports, dividend payments, issue of duplicate certificates, transfers and transmission of shares and other miscellaneous complaints. In addition, the Committee looks into other issues including status of dematerialization / re-materialization of shares as well as systems and procedures followed to track investor complaints and suggest measures for improvement from time to time.

Stakeholders' Relationship Committee consists of the following Directors.

Name of the Member	Category	Designation
Sri. V. Govindarajulu	Independent	Chairman
Sri. B. Vijayakumar	Executive Promoter	Member
Sri. R. Vidhya Shankar	Independent	Member

During the year under review, the Committee met 15 times to deliberate on various matters referred above and for redressal of investors complaints.

Sri.M.Lakshmi Kanth Joshi, General Manager Cum Company Secretary, acts as Secretary to the Committee. He is the Compliance Officer of the Company and also responsible for redressal of investors complaints.

The Company has been receiving various correspondences from Shareholders and required information/documents are furnished immediately to the satisfaction of Shareholders. At the beginning of the year, no complaint was pending. During the year ended 31st March, 2015, the Company received 1 complaint from an investor and replied to the satisfaction of the investor. No investor complaint was pending on 31st March 2015.

Pursuant to Clause 47(c) of the Listing Agreement, a certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practising Company Secretary has been submitted to the Stock Exchanges within stipulated time.

5.1 Disclosure of details of Unclaimed Shares (under Clause 5A of the Listing Agreement):

In terms of the amended Clause 5A of the Listing Agreement, the Company is following the prescribed procedure for opening the 'Unclaimed Suspense Account' in respect of the unclaimed physical share certificates. The disclosure of details of the unclaimed suspense account in terms of Clause 5A II(h) of the Listing Agreement are as follows:

Particulars	Number of Shareholders	Number of equity shares
Aggregate number of Shareholders and the outstanding shares lying in the Unclaimed Suspense Account - Opening Balance	276	49730*
Number of Shareholders who approached the Company for transfer of shares and shares transferred from suspense account during the year	12	2010
Aggregate number of Shareholders and outstanding Shares in the suspense account lying as on 31st March, 2015	264	47720

* Including bonus of 1:1 allotted on July 10th 2014

The voting rights on the Shares in the suspense account as on 31st March, 2015 shall remain frozen till the rightful owners of such Shares claim them.

6. Management Discussion and Analysis Report

Management Discussion and Analysis Report forms part of this Annual Report.

7. General Body Meetings: Details of the Last 3 AGM are given as under

Year	Date	Time	Venue	Special Resolution passed
2012	09.07.2012	10.15 A.M.	Ardra," Kaanchan, 9, North Huzur Road, Coimbatore- 18	No
2013	08.08.2013	10.15 A.M.	Ardra," Kaanchan, 9, North Huzur Road, Coimbatore- 18	No
2014	09.07.2014	10.30 A.M.	Ardra," Kaanchan, 9, North Huzur Road, Coimbatore- 18	Appointment of Dr.T.Balaji as Independent Director of the Company for a term upto 8 th July 2019 Appointment of Sri. V. Govindarajulu as Independent Director of the Company for a term upto 31 st August 2019.

				Special Resolution passed
				Appointment of Sri. P. Balasubramanian as Independent Director of the Company for a term upto 31 st August 2019.
				Appointment of Sri. P. Shanmugasundaram as Independent Director of the Company for a term upto 31 st August 2019.
				Appointment of Sri.R.Vidhya Shankar as Independent Director of the Company for a term upto 31 st August 2019.
				Authorizing Board of Directors to enter into contracts and/or agreements with Silent Chain India Private Limited, Lakshmi Printers, Excel Marketing Associates, Veena Coach Products and Sri. S. Sivakumar - Director, being the related parties as defined under the Companies Act, 2013
				Authorizing Board of Directors to enter into contracts and/or agreements with Super Speeds Private Limited, Super Transports Private Limited, LGB Fuel Systems Private Limited, LG Balakrishnan & Bros - Karur, LGB Auto Products Private Limited, LGB Forge Limited, South Western Engineering India Limited, LG Farm Products Private Limited and Elgi Automotive Services Private Limited being the related parties as defined under the Companies Act, 2013 .

Special Resolution(s) passed through Postal Ballot

During the year the following resolutions were passed through postal ballot on 23rd June, 2014

The details of voting pattern of aforesaid Postal Ballot(s) is as follows:

Description of Resolution	Type of Resolution	Votes Cast in favour		Votes Cast against		Result	Date of Declaration of result
		No.of votes	%	No.of votes	%		
Increase of Authorised Share Capital and consequent alteration of the Memorandum and Articles of Association of the Company.	Special Resolution	4815147	99.98	731	0.02	Passed with requisite majority	23.06.2014
Alteration of the Articles of Association	Special Resolution	4814868	99.98	1011	1.02	Passed with requisite majority	23.06.2014

Special Resolution(s) passed through Postal Ballot (Contd.)

During the year the following resolutions were passed through postal ballot on 23rd June, 2014

The details of voting pattern of aforesaid Postal Ballot(s) is as follows:

Description of Resolution	Type of Resolution	Votes Cast in favour		Votes Cast against		Result	Date of Declaration of result
		No.of votes	%	No.of votes	%		
Issue of Bonus Shares by way of Capitalisation of Reserves was approved by the members with a requisite majority.	Special Resolution	4815597	99.99	722	0.01	Passed with requisite majority	23.06.2014
Approval to borrow in excess of paid-up capital & free reserves pursuant to Section 180 (1) (c) of the Companies Act, 2013	Special Resolution	4812364	99.93	3514	0.07	Passed with requisite majority	23.06.2014
Approval for creation of charge / mortgage etc. on Company's movable or immovable properties in terms of Section 180 (1) (a) of the Companies Act, 2013.	Special Resolution	4813711	99.96	2166	0.04	Passed with requisite majority	23.06.2014

The Postal Ballot was carried out as per Section 108 & 110 of the Companies Act, 2013 read with Rule 20 & 22 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement. Sri.M.D.Selvaraj of MDS & Associates, Company Secretary in practice was appointed as the scrutinizer for carrying the process of postal ballot in fair and transparent manner.

There is no immediate proposal for passing any resolution through Postal Ballot.

No Extra -Ordinary General Meeting of Shareholders was held during the year.

8. Disclosures

(i) Related Party Transactions

In terms of the Accounting Standard - 18 "Related Party Disclosures", as notified under the Companies (Accounting Standards) Rules, 2006, the Company has identified the related parties covered therein and details of transactions with such related parties have been disclosed in Notes to the Accounts forming part of this Annual Report.

The Company has not had any transactions of material nature with the Directors and / or their relatives, promoters, management during the year ended on March, 31, 2015 that may have conflict with the interests of the Company.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website <http://www.lgb.co.in/pdf/related-party-transactions-policy.pdf>

(ii) Compliance with Accounting Standards

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 1956 read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

(iii) Compliances by the Company

The Company has complied with all the requirements of the Listing Agreement of the Stock Exchanges as well as regulations and guidelines of SEBI, No Penalties have been levied or strictures have been passed by SEBI, Stock Exchanges or any other Statutory Authority on matters relating to capital markets, in the last three years.

(iv) Code of Conduct for Directors and Senior Management

The Board of Directors of the Company has adopted a Code of Conduct for Directors and Senior Management and the same is posted on the website of the Company.

(v) CEO / CFO certification

The CEO and the CFO of the Company have certified to the Board with regard to the compliance made by them in terms of Clause 49 (IX) of the Listing Agreement and the certificate forms part of Annual Report.

The Company complies with all the requirements of the Listing Agreement including the mandatory requirements of Clause 49 of the Agreement.

9. Whistle Blower Policy

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

The Whistle Blower Policy has been posted on the website of the Company www.lgb.co.in.

Your Company hereby affirms that no complaints were received during the year under review.

10. Means of Communication

Financial results

The Quarterly, Half yearly and Annual Results of the Company are available on the website of the Company www.lgb.co.in. The hard and soft copies are also sent to concerned Stock Exchanges immediately after they are approved by the Board so as to enable them to display them on their notice board/ website and also published in one widely circulated English Newspaper (Financial Express) and a Vernacular (Tamil) Newspaper (Malaimalar). The Company has a dedicated help desk with email ID: secretarial@lgb.co.in in the Secretarial Department for providing necessary information to the investors.

Official News Releases

Official news releases are made whenever it is considered necessary

The presentation made to institutional investors or to the analysts

There were no specific presentation made to the investors or analysts during the year.

11. General Shareholders' Information

1. Annual General Meeting is proposed to be held at 10.30 A.M. on Thursday the 10th September, 2015 at Ardra Convention Centre, Kaanchan, 9, North Huzur Road, Coimbatore- 641 018.

2. Financial Calendar

Financial Year : April to March

For the year ended 31st March 2015, results were announced on 30.04.2015.

Financial Year - 2015-2016

Quarter ending June 30, 2015 - End of July 2015*

Quarter ending September 30, 2015 - End of October 2015*

Quarter ending December 31, 2015 - End of January 2016*

Year ending 31-03-2016 - End of April 2016*

* Tentative

3. Date of Book Closure - The date of Book closure are from 04.09.2015 to 10.09.2015 (both days inclusive) to determine the members entitled to the dividend for 2014-15

4. Dividend payment date - 28th September 2015

5. a) Listing on Stock Exchanges - BSE Ltd.
The National Stock Exchange of India Ltd.

b) Securities Code - BSE Ltd. Equity 500250
- The National Stock Exchange of India Ltd. - LGBBROSLTD

c) The International Security Identification Number (ISIN) - INE337A01034

The Company has paid the Listing Fees for the year 2015 - 2016 to the above Stock Exchanges.

MARKET PRICE DATA: Monthly high/low of market price of the Company's Equity Shares traded on the BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) during the last financial year was as under:

6. Stock market data for the year 2014-2015

	National Stock Exchange		Bombay Stock Exchange	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April - 2014	460.00	401.10	460.00	404.10
May	610.00	416.15	609.90	416.50
June	926.90	601.05	927.10	605.00
July	1009.00	398.20*	1,010.00	400.00 *
August	549.00	407.35	547.00	415.15
September	710.00	506.30	719.40	509.40
October	704.90	639.40	705.40	637.00
November	849.00	606.95	764.00	610.00
December	677.40	592.90	685.00	597.10
January - 2015	675.00	600.00	678.00	600.00
February	611.95	536.00	610.00	534.75
March	575.00	482.10	574.50	507.75

(Source: BSE and NSE website)

* After allotment of Bonus Equity Shares in the ratio of 1:1

7. Dematerialization of Shares as on 31st March, 2015.

Range	No. of Holders	No. of Shares (Face Value ₹ 10/-)	% of Shares
1 - 100	12,129	496,067	3.16
101 - 500	4,160	1,000,143	6.37
501 - 1000	761	573,161	3.65
1001 - 2000	443	667,550	4.25
2001 - 3000	144	366,778	2.34
3001 - 4000	83	288,079	1.84
4001 - 5000	47	218,644	1.39
5001 - 10000	96	694,442	4.43
10001 - and above	99	11,391,344	72.57
Total	17,962	15,696,208	100.00

8. Pattern of Shareholding as on 31st March 2015

Sl. No.	Category	No. of Share holders	No. of Shares held	% to paid-up capital
1	Promoters and promoters group	16	7,301,080	46.51
2	Mutual Funds / UTI	10	1,782,286	11.35
3	Financial Institutions, Banks	4	5,527	0.04
4	Foreign Institutional Investors/NRI/OCB	277	99,343	0.63
5	Bodies Corporate / Clearing Member	402	349,786	2.23
6	Public	17,253	6,158,186	39.24
	Total	17,962	15,696,208	100.00

9 Dematerialization of Shares as on 31st March, 2015.

The Equity Shares of the Company are compulsorily traded in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Company has arrangement with National Securities Depository Ltd. (NSDL) as well as Central Depository Services (India) Limited (CDSL) for demat facility.

Demat & Physical Shares

Particulars	No. of Shares	Percentage (in Share Capital)
National Securities Depository Limited	13,642,572	86.92
Central Depository Services (India) Limited	1,440,453	9.18
Physical	613,183	3.90
Total	15,696,208	100.00

10. Reconciliation of Share Capital

Share Capital Audit Report in terms of SEBI directive vide its circular CIR/MRD/DP/30/2010 dated 6th September, 2010, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with National Securities Depository Limited and Central Depository Services (India) Limited, is submitted to the Stock Exchanges where the shares of the Company are listed.

11. Registrar & Transfer Agents

M/s.Cameo Corporate Services Limited,
“Subramanian Building”
No.1, Club House Road,
Chennai - 600 002

In order to facilitate investor servicing, the Company has designated an e-mail-id: secretarial@lgb.co.in mainly for registering complaints by investors.

Share Transfer System

The Shares transfers are registered and returned within a period of 15 days of receipt if documents are in order. All requests for dematerialization of shares are processed and confirmed to the depositories, NSDL and CDSL within 4 working days. The share transfers are approved by the Share Transfer committee which meets as and when required.

There are no outstanding warrants or any convertible instruments. The Company has not issued GDR/ADR.

12. Code for Prevention of Insider Trading

The Company has framed a Code of Conduct for prevention of Insider Trading based on SEBI (Insider Trading) Regulations, 1992. This code is applicable to all directors / officers / designated employees. The Code ensures the prevention of dealing in shares by persons having access to unpublished price sensitive information.

13. Address for Correspondence

All correspondences should be addressed to

M. Lakshmi Kanth Joshi
General Manager Cum Company Secretary
6/16/13, Krishnarayapuram Road, Ganapathy Post, Coimbatore - 641 006
Phone No.0422-3911212 Fax No: 0422-3911163 Email: lk.joshi@lgb.co.in

14. DECLARATION ON CODE OF CONDUCT

To

The Members of L.G. Balakrishnan & Bros Limited

In accordance with Clause 49 sub-clause I (D) of The Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and the Senior Management personal including me, have affirmed compliance to their respective Codes of Conduct, as applicable for the Financial Year ended 31st March, 2015.

Place: Coimbatore

Date: 30.04.2015

B. VIJAYAKUMAR
Chairman cum Managing Director
DIN: 00015583

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of L.G. Balakrishnan & Bros Limited.

I have examined the compliance of conditions of Corporate Governance by M/s.L.G.Balakrishnan & Bros Limited for the year ended March 31, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges. The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

I state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Investors' Relation Committee.

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

M.D. SELVARAJ

Coimbatore
30.04.2015

Practicing Company Secretary
C.P. No. 411 (FCS 960)

CERTIFICATION BY CHAIRMAN CUM MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

We, B.Vijayakumar, Chairman Cum Managing Director, and N.Rengaraj, Chief Financial Officer, to the best of our knowledge and belief, certify that:

- a) we have reviewed the financial statements and cash flow statement for the year ended March, 31, 2015 and to the best of our knowledge and belief :
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March, 31, 2015 are fraudulent, illegal or in violation of the Company's Code of Conduct.
- c) we accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the Auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d) we have indicated to the Auditors and Audit Committee that :
 - (i) there have not been any significant changes in internal controls over financial reporting during the year ended March, 31, 2015;
 - (ii) there have not been any significant changes in accounting policies during the year ended March, 31, 2015 and that the same have been disclosed in the notes to the financial statements; and
 - (iii) there has not been any instance during the year ended March, 31, 2015 of significant fraud with involvement therein of the management or any employee having a significant role in the company's internal control system over financial reporting.

Coimbatore
30.04.2015

N. RENGARAJ
Chief Financial Officer

B. VIJAYAKUMAR
Chairman cum Managing Director
DIN: 00015583

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF L.G. BALAKRISHNAN & BROS LIMITED

We have audited the accompanying standalone financial statements of **L.G. BALAKRISHNAN & BROS LIMITED** (“the Company”), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management’s Responsibility for the Standalone Financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cashflows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditor’s Responsibility

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act.

Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company’s preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company’s Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conform it with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cashflows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor’s Report) Order, 2015 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified 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 31st March,

2015 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2015 from being appointed as a Director in terms of Section 164(2) of the Act.

- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements-Refer Note 25.1 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative 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.

Coimbatore
30.04.2015

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
Registration No.0080725

C.R. RAJAGOPAL
Membership No.23418
Partner

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements'
Section of our report of even date)

- (i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (ii) In respect of its inventories:
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals. In respect of inventory lying with third parties, these have been confirmed by them.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit we have not observed any major weaknesses in such internal control system.
- (v) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 read with Companies (Cost Records and Audit)Amendment Rules, 2014 prescribed by the Central Government under Section 148 of the Companies Act, 2013 and are of the opinion that, *prima facie*, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of excise, Cess and any other material statutory dues with the appropriate authorities.

(b) There were no undisputed statutory dues in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.

(c) Details of dues of Excise Duty , Service Tax and Sales Tax which have not been deposited as on March 31, 2015 on account of disputes are given below:

Name of statute	Nature of the disputes	Forum where dispute is pending	Period to which the amount relates	Amount (₹ in lakhs)
Central Excise Act	Job work	CESTAT Chennai	2008 - 09	18.33
	Differential duty	CESTAT Chennai	2007 - 08	41.73
	ED - Transfer of Division	CESTAT Chennai	2009 - 10	447.72
	Valuation & Capital Goods	CESTAT Chennai	Various periods	9.44
Finance Act, 1994	Service Tax on import of services	Hon'ble Supreme Court	2005-06, 2006-07 2007-08	5.07
Finance Act, 1994	Denial of Service tax credit	CESTAT Chennai & Bengaluru	Various periods	4.95
Central Excise Act	Rebate claim	CESTAT Bengaluru	2011 - 12	107.06
Entry Tax Act	Entry Tax	High Court of Madras (Stayed by the High Court)	2007 - 08	408.36
Tamil Nadu General Sales Tax Act	Assesment Matters	High Court of Madras (Stayed by the High Court)	2002 - 03	43.94
Tamil Nadu General Sales Tax Act & Central Sales Tax	Differencial Rate and Interstate sale	Sales Tax Appellate Tribunal	2006 - 07 2010 - 11	1.05 4.86
West Bengal Value Added Tax Act	Differential Tax Rate	Senior Joint Chief Commissioner Tribunal, Kolkatta	2005 - 06 2006 - 07	11.12
Karnataka Entry tax	Entry tax	Karnataka Appellate Tribunal	2005 - 06	19.93
Tamil Nadu General Sales Tax Act	Input Tax Credit / Sales return	Joint Chief Commissioner (Appeals) Coimbatore	2007 - 08, 2008 - 09, 2010 - 11, 2011 - 12	345.82
Maharastra Value Added Tax Act	Classification of Goods	Sales Tax Appellate Tribunal	2005 - 06, 2006 - 07, 2007 - 08	26.99
Delhi Value Added Tax Act	Stock Transfer	Sales Tax Appellate Tribunal	2007 - 08	0.62
Total				1,496.99

-
- (d) The Company has been generally regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder within time.
- (viii) The Company does not have accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
- (x) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not, prima facie, prejudicial to the interests of the Company
- (xi) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained, other than temporary deployment pending application.
- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
Registration No.008072S

C.R. RAJAGOPAL
Membership No.23418
Partner

Coimbatore
30.04.2015

BALANCE SHEET AS AT 31.03.2015

(₹ in Lakhs)

Particulars	Note No.	As at 31.03.2015	As at 31.03.2014
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	1,569.62	784.81
(b) Reserves and surplus	4	33,525.17	29,289.37
		35,094.79	30,074.18
2 Non-current liabilities			
(a) Long-term borrowings	5	8,263.89	5,329.30
(b) Deferred tax liabilities (net)	26.7	1,721.00	1,777.56
		9,984.89	7,106.86
3 Current liabilities			
(a) Short-term borrowings	6	4,688.37	5,004.63
(b) Trade payables	7	14,634.24	13,594.59
(c) Other current liabilities	8	8,414.13	6,813.36
(d) Short-term provisions	9	717.88	642.73
		28,454.62	26,055.31
TOTAL		73,534.30	63,236.35
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10.a	27,040.79	21,807.77
(ii) Intangible assets	10.b	322.98	297.30
(iii) Capital work-in-progress		3,057.74	904.03
(b) Non-current investments	11	3,690.67	3,566.33
(c) Long-term loans and advances	12	2,390.87	2,833.85
(d) Other non-current assets	13	37.83	37.83
		36,540.88	29,447.11
2 Current assets			
(a) Current investments		-	-
(b) Inventories	14	21,648.45	19,456.17
(c) Trade receivables	15	12,503.51	12,511.06
(d) Cash and cash equivalents	16	577.20	514.41
(e) Short-term loans and advances	17	2,140.75	1,272.92
(f) Other current assets	18	123.51	34.68
		36,993.42	33,789.24
TOTAL		73,534.30	63,236.35

See accompanying notes forming part of the financial statements 1 - 28

"In terms of our report attached"

 For **DELOITTE HASKINS & SELLS**
Chartered Accountants

C.R. RAJAGOPAL
Partner
Coimbatore
30.04.2015

For and on behalf of Board of Directors

B. VIJAYAKUMAR
Chairman cum Managing Director
DIN: 00015583

M. LAKSHMI KANTH JOSHI
General Manager cum Company Secretary

P. PRABAKARAN
Deputy Managing Director
DIN : 01709564

N. RENGARAJ
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2015 (₹ in Lakhs)

Particulars	Note No.	For the Year ended 31.03.2015	For the Year ended 31.03.2014
A. CONTINUING OPERATIONS			
1 Revenue from operations(gross)	19	115,757.50	108,478.97
Less: Excise duty	19	10,931.12	9,686.70
Revenue from operations (net)		104,826.38	98,792.27
2 Other income	20	284.27	474.03
3 Total revenue (1 + 2)		105,110.65	99,266.30
4 Expenses:			
(a) Cost of materials consumed	21 a	43,968.87	41,526.45
(b) Purchases of stock-in-trade (traded goods)	21 b	5,723.00	7,173.91
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21 c	(1,079.05)	(382.21)
(d) Employee benefits expense	22	12,975.93	11,511.42
(e) Finance costs	23	1,631.84	1,691.03
(f) Depreciation and amortisation expense	10 c	3,733.68	3,137.12
(g) Other expenses	24	30,340.09	27,755.19
Total Expenses		97,294.36	92,412.91
5 Profit/(Loss) before exceptional and extraordinary items and tax (3-4)		7,816.29	6,853.39
6 Exceptional items	20	660.80	-
7 Profit/(Loss) before extraordinary items and tax (5+6)		8,477.09	6,853.39
8 Extraordinary Items		-	-
9 Profit/(Loss) before tax (7-8)		8,477.09	6,853.39
10 Tax expense / (benefit):			
(a) Current tax / MAT tax expense		1,802.82	1,569.36
(b) Short / (Excess) provision of tax relating to prior years		240.56	-
(c) Net current tax expense		2,043.38	1,569.36
(d) Mat credit related to prior year		-	(98.41)
(e) Deferred tax		(5.89)	(51.98)
Net tax expense / (benefit)		2,037.49	1,418.97
11 Profit/(Loss) for the year from continuing operations (9-10)		6,439.60	5,434.42
B. DISCONTINUING OPERATIONS			
12. i Profit/(Loss) for the year from discontinuing operations (before tax)		-	-
12. ii Less: Tax expense of discontinuing operations		-	-
13 Profit/(Loss) from discontinuing operations (12.i - 12.ii)		-	-
C. TOTAL OPERATIONS			
14 Profit/(Loss) for the year (11 + 13)		6,439.60	5,434.42
15 Earnings per share (of Rs.10/- each)			
(a) Basic - (i) Continuing operations	26.6	41.03	34.62
(ii) Total operations	26.6	41.03	34.62
(b) Diluted - i) Continuing operations	26.6	41.03	34.62
(ii) Total operations	26.6	41.03	34.62

See accompanying notes forming part of the financial statements 1-28

“In terms of our report attached”

For **DELOITTE HASKINS & SELLS**
Chartered Accountants

C.R. RAJAGOPAL
Partner
Coimbatore
30.04.2015

For and on behalf of Board of Directors

B. VIJAYAKUMAR
Chairman cum Managing Director
DIN: 00015583

M. LAKSHMI KANTH JOSHI
General Manager cum Company Secretary

P. PRABAKARAN
Deputy Managing Director
DIN : 01709564

N. RENGARAJ
Chief Financial Officer

Notes forming part of the financial statements

1 Corporate Information

L.G.Balakrishnan & Bros Limited was founded in 1937 as a transport Company and has evolved today as a major manufacturer of chains, sprockets and metal formed parts for automotive applications. Its business segments include transmission, metal forming and others. Its transmission products include chains, sprockets, tensioners, belts and brake shoe. It also offers metal forming products consisting of fine blanking for precision sheet metal parts, machined components and wire drawing products for internal use as well as for other chain manufacturing plants, spring steel suppliers and umbrella manufacturers. The Company's products are marketed under the "Rolon" brand. LGB has manufacturing units spread across Tamil Nadu, Maharashtra, Uttrakhand, Karnataka and Haryana.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 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 specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provision of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention except for categories of fixed assets acquired before 1st April, 2014 that are carried at revalued amounts. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for change in the accounting policy for depreciation.

2.2 Use of estimates

The preparation of the financial statements in conformity with the accounting standards generally accepted in India requires, the management to make estimates that affect the reported amount

of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statement and reported amounts of revenues and expenses for the year. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the periods in which the results are known/materialize.

2.3 Inventories

Inventories are valued at lower of cost and net realizable value. Cost includes all direct costs and applicable production overheads, to bring the goods to the present location and condition. Excise duty on the finished goods is added to the cost.

- i) Costs of raw materials, packing materials, tools and dies and Store & Spare Parts are computed on weighted average basis.
- ii) Costs of finished goods and semi-finished goods are computed on weighted average basis.
- iii) Agriculture Produce is valued at estimate realisable value.
- iv) Cost of stock held for trading are computed on weighted average basis.

2.4 Cash and cash equivalents (for the purpose of cash flow statement)

Cash comprised cash on hand and demand deposits with banks. Cash equivalents are short-term (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.

2.5 Cash flow statement

Cashflows are reported using the indirect method, whereby profit/(loss) before extra-ordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.6. Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Depreciation on tools and dies is provided on the basis of estimated useful life.

Leasehold land is amortized over the duration of the lease.

Windmill is considered as a continuous process plant and depreciation is provided at the rate applicable thereto.

Policy for amortization of Intangibles:

Intangible assets are amortized over their useful life as follows:

Technical knowhow - 10 years (7 years remaining as at the Balance Sheet date)

Computer software - 2 - 3 years (1 - 2 years remaining as at the Balance Sheet date)

The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

2.7 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 include excise duty but exclude sales-tax and value added tax.

Income from Service:

Revenue from services are recognized when services are rendered and related costs are incurred.

Export incentives:

Export incentive under various schemes notified by the Government has been recognized on the basis of Export of goods and after receipt of license.

2.8 Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

2.9 Tangible fixed assets:

Tangible assets are stated at cost (net of CENVAT wherever applicable) less accumulated depreciation except certain land which was taken over from amalgamating companies at a valuation as per their books. Cost comprises of direct cost, related taxes, duties, freight and attributable finance costs till such assets are ready for its intended use. Subsidy received from State Government towards specific assets is reduced from the cost of fixed assets. Fixed assets taken on finance lease are capitalized. With regard to assets jointly owned with others, the proportionate cost thereof to the Company is capitalized.

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.

2.10. Intangible assets:

Intangible assets are stated at cost (net of CENVAT wherever applicable) less accumulated depreciation/amortization. Cost comprises of direct cost, related taxes, duties, freight and attributable finance costs till such assets are ready for its intended use.

2.11 Foreign currency transactions and translations

Foreign exchange transactions are accounted at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities

denominated in foreign currency and outstanding at the year-end are reinstated at the year-end exchange rates. All foreign exchange gains and losses are taken to Statement of Profit & Loss.

Net investments in non-integral foreign operations are carried at historical cost.

The Company enters into forward exchange contract to hedge its risk associated with Foreign currency fluctuations. The premium or discount arising at the inception of a forward exchange contract is amortized as expense or income over the life of the contract. In case of monetary items which are covered by forward exchange contract, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference. Any profit or loss arising on cancellation of a forward exchange contract is recognized as income or expense for that year.

2.12 Government grants and subsidies:

Government grants and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received.

Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are treated as capital reserve.

Government grants in the form of non-monetary assets, given at a concessional rate, are recorded on the basis of their acquisition cost. In case the non-monetary asset is given free of cost, the grant is recorded at a nominal value.

2.13 Investments

Long-term investments are stated at cost less provision for diminution, other than temporary, in value. Current investments are stated at lower of cost and market value.

2.14 Employee benefits

(a) Short-term:

Short-term employee benefits are charged off at the undiscounted amount in the year in which the related service is rendered.

Leave encashment benefit is paid annually and charged to the respective period.

(b) Post retirement:

Post Retirement Benefits comprise of Provident Fund, Superannuation Fund and Gratuity which are accounted for as follows:

i) Provident Fund (Government PF)

This is a defined contribution plan, and contributions made to the fund are charged to revenue. The Company has no further obligations for future provident fund benefits other than monthly contributions.

ii) Superannuation Fund

This is a defined contribution plan. The company contributes a sum equivalent to defined contribution plan for eligible employees' salary towards superannuation fund administered by the Trustees and managed by Life Insurance Corporation of India (LIC). The Company has no further obligations for future superannuation benefits other than its annual contributions and recognizes such contributions as expense in the year incurred.

iii) Gratuity Fund

This is a defined benefit plan. The Company makes annual contribution to a Gratuity Fund administered and managed by a Trust through Life Insurance Corporation of India. The net present value of obligation towards gratuity is actuarially determined based on Projected Unit Credit method as at the Balance Sheet date. Actuarial gains and losses are recognised in the Accounts.

2.15 Borrowing cost

Borrowing costs, if any, identifiable with an asset under construction are capitalized as part of qualifying fixed assets when it is possible, that they will result in future economic benefits. Other borrowing costs are expensed.

2.16 Segment reporting

a) Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

- b) Revenue and expenses, which relate to the enterprise as a whole and not allocable to segments on a reasonable basis, have been included under “unallocated corporate expenses”.

2.17 Leases

Leases are classified as finance or operating leases depending upon the terms of the lease agreements. Assets held under finance leases are recognised as assets of the Company on the date of acquisition and depreciated over their estimated useful lives using the method and rates applicable to the class of asset as described in Para 2.6 above. Finance cost is treated as period cost using effective interest rate method and expensed. Rentals payable under operating leases are charged to Statement of Profit & Loss of the period to which it relates.

2.18 Earnings per share

Basic and diluted earnings per share are computed in accordance with Accounting Standard 20 - ‘Earnings per share’. Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share are computed using the weighted average number of equity shares outstanding during the year and dilutive potential equity shares outstanding at year end.

2.19 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

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 highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised and carried forward only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such asset items can be realised.

2.20 Research and development expenses

All revenue expenditure related to research and development are charged to the respective heads in the Statement of Profit & Loss. Capital expenditure incurred on research and development is grouped under fixed assets and depreciated in accordance with the depreciation policy of the Company.

2.21 Impairment of assets

At each Balance Sheet date, the carrying values of the tangible and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where there is an indication that there is a likely impairment loss for a group of assets, the company estimates the recoverable amount of the group of assets as a whole, to determine the value of impairment.

2.22 Provisions, contingent liabilities and contingent assets

A Provision is recognized, in terms of Accounting Standard 29 - ‘Provisions, Contingent Liabilities and Contingent Assets’ notified by the Companies (Accounting Standards) Rules, 2006, when there is a present obligation as a result of a past event, and it is probable that an outflow of resources will be required to settle the obligation, which can be

reliably estimated. Provision is not discounted to its present value and is determined based on the best estimate required to settle the obligation at the balance sheet date. Provisions are reviewed at each balance sheet date and adjusted to reflect the best current estimate.

Contingent Liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent Assets are not recognised in the financial statements.

2.23 CENVAT credit

CENVAT credit on materials purchased / services availed for production / input services are taken into account at the time of purchase. CENVAT credit on purchase of capital items wherever applicable are taken into account as and when the assets are acquired. The CENVAT credits so taken are utilised for payment of excise duty on goods manufactured / service tax on output services. The unutilised CENVAT credit is carried forward in the books.

2.24 Operating cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Particulars	As at 31.03.2015		As at 31.03.2014	
	Number of Shares	₹ in lakhs	Number of Shares	₹ in lakhs
3 SHARE CAPITAL				
(a) Authorised				
Equity Shares of ₹10/- each with voting rights	20,000,000	2,000.00	12,000,000	1,200.00
	20,000,000	2,000.00	12,000,000	1,200.00
(b) Issued				
Equity Shares of ₹10/- each with voting rights	15,696,208	1,569.62	7,848,104	784.81
	15,696,208	1,569.62	7,848,104	784.81
(c) Subscribed and fully paid-up				
Equity Shares of ₹10/- each with voting rights	15,696,208	1,569.62	7,848,104	784.81
Total	15,696,208	1,569.62	7,848,104	784.81

Notes:

3 (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Opening balance	Fresh Issue	Bonus/ ESOP	Conversion/ Buyback	Closing balance
Equity Shares with voting rights					
Year ended 31st March, 2015					
Number of shares	7,848,104	-	7,848,104	-	15,696,208
Amount (₹ in lakhs)	784.81	-	784.81	-	1,569.62
Year ended 31st March, 2014					
Number of shares	7,848,104	-	-	-	7,848,104
Amount (₹ in lakhs)	784.81	-	-	-	784.81

Notes forming part of the financial statements

3 (ii) Details of shares held by each shareholder holding more than 5% shares

Sl. No.	Name of the Shareholder	As at 31 March 2015		As at 31 March 2014	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
	Equity Shares with voting rights				
1.	B. Vijayakumar	2,507,000	15.97	1,170,000	14.91
2.	V. Rajvirdhan	2,198,586	14.01	1,099,293	14.01
3.	V. Rajsri	1,089,576	6.94	544,788	6.94
4.	Relience Capital Trustee Co. Ltd A/c. Relience Small Cap	921,336	5.87	410,000	5.22
5.	L.G.B. Educational Foundation	-	-	387,564	4.94
	Particulars	As at 31.03.2015 ₹ in lakhs		As at 31.03.2014 ₹ in lakhs	
4	RESERVES AND SURPLUS				
	(a) Capital Reserve				
	Opening balance		30.00		30.00
	Closing balance		30.00		30.00
	(b) Securities premium account:				
	Opening balance		3,100.61		3,100.61
	Closing balance		3,100.61		3,100.61
	(c) Revaluation reserve (Land)				
	Opening balance		138.91		138.91
	(On account of acquisition of M/s.L.G.B.Industries Limited in 1998)				
	Closing balance		138.91		138.91
	(d) General reserve				
	Opening balance		22,500.00		18,500.00
	Less : Utilised / transferred for issue of Bonus shares during the year		784.81		-
	Less : Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of deferred tax)		98.39		-
	Add : Transfer from surplus in Statement of Profit and Loss		4,883.20		4,000.00
	Closing balance		26,500.00		22,500.00
	(e) Surplus/(Deficit) in Statement of Profit and Loss				
	Opening balance		3,519.85		3,187.25
	Add : Profit/(Loss) for the year		6,439.60		5,434.42
	Less : Interim Dividend		502.28		392.41
	Dividend proposed to be distributed to equity shareholders (₹ 3.80 per share; previous year ₹ 7/- per share)		596.46		549.37
	Tax on Dividend		221.86		160.04
	Less: Transferred to General reserve		4,883.20		4,000.00
	Closing balance		3,755.65		3,519.85
	Total		33,525.17		29,289.37

Notes forming part of the financial statements

Particulars	As at	
	31.03.2015 ₹ in lakhs	31.03.2014 ₹ in lakhs
5 LONG-TERM BORROWINGS		
(a) Term Loans		
From Banks		
Secured	8,263.89	4,875.00
(b) Fixed Deposits:		
From other parties		
Unsecured	-	88.55
From related parties		
Unsecured	-	365.75
Total	8,263.89	5,329.30

Notes:
5 (i) Details of Security for Long Term Borrowings:

- a) Term Loans from banks are secured by hypothecation of Plant and Machineries and are collaterally secured by equitable mortgage by deposit of title deeds of immovable properties of Chakkan Plant and Jalna Plant.
- b) Interest rate relating to Term Loan from banks is in the range of 9.70% to 11.75%

5 (ii) Repayment schedule

₹ in lakhs

Particulars	As at		As at	
	31.03.2015		31.03.2014	
	Secured	Unsecured	Secured	unsecured
a) Term loan from banks:				
ICICI Bank Ltd	4,875.00	-	4,875.00	-
(Term of repayment : Repayable in 20 quarterly installments of ₹ 375 Lakhs from July'14)				
Hongkong and Shanghai Banking Corporation Ltd	2,500.00	-	-	-
(Term of repayment : Repayable in 16 quarterly installments of ₹ 156.25 Lakhs from May'16)				
HDFC Bank Ltd	888.89	-	-	-
(Term of repayment : Repayable in 18 quarterly installments of ₹ 55.56 Lakhs from Dec'15)				
Total - Term loans from banks	8,263.89	-	4,875.00	-
(b) Fixed Deposits:				
From other parties		-		88.55
Total - deposits from others		-		88.55
From related parties				
M/s. Elgi Automotive Services (P) Limited		-		60.00
M/s. L.G.B. Auto Products (P) Limited		-		75.00
Minor. Samriddhi Andal Rajiv		-		141.00

Notes forming part of the financial statements

5 (ii) Repayment schedule (Contd.)

₹ in lakhs

Particulars	As at 31.03.2015		As at 31.03.2014	
	Secured	Unsecured	Secured	unsecured
From related parties (contd.)				
Minor. Vidhur Narayanan Rajiv		-		88.00
M/s. Rolon Fine Blank Limited		-		1.75
Total - deposits from related parties		-		365.75
Total - Long Term borrowings	8,263.89	-	4,875.00	454.30

5 (iii) There was no default in the repayment of the loans and interest during the year

Particulars	As at 31.03.2015		As at 31.03.2014	
	Secured	Unsecured	Secured	Unsecured
6 SHORT-TERM BORROWINGS				
(a) Loan repayable on demand				
From banks - Secured / Unsecured	3,137.62	-	2,309.63	1,000.00
(b) From Financial Institutions - Unsecured		-		1,000.00
(c) Loan from Directors - Unsecured		1,145.75		240.00
(d) Loan from Inter corporates - Unsecured		405.00		455.00
	3,137.62	1,550.75	2,309.63	2,695.00

Notes

6 (i) Details of security for short-term borrowings:

- Working capital loans from banks are primarily secured by hypothecation of inventories and book debts of the Company
- Interest rate relating to Short Term Borrowings from Banks is in the range of 9.80% to 13.10%

Particulars	As at 31.03.2015		As at 31.03.2014	
	Secured	Unsecured	Secured	Unsecured
Loan repayable on Demand				
From Banks				
Axis Bank Ltd	94.84	-	(7.12)	-
The Bank of Nova Scotia	1,000.00	-	1,500.00	-
Corporation Bank	(71.44)	-	256.82	-
HDFC Bank Ltd	456.40	-	(262.93)	-
ICICI Bank Ltd	470.79	-	423.52	-
Indusind Bank Ltd	(4.27)	-	(14.00)	-
IDBI Bank Ltd	691.71	-	417.66	-
Union Bank of India	(0.41)	-	(4.32)	-
Hongkong and Shanghai Banking Corporation Ltd	500.00	-	-	1,000.00
Total - Loan from banks	3,137.62	-	2,309.63	1,000.00

Notes forming part of the financial statements

(₹ in lakhs)

Particulars	As at 31.03.2015		As at 31.03.2014	
	Secured	Unsecured	Secured	Unsecured
Notes				
6 (i) (Contd.)				
Loan from financial institution				
Bajaj Finance Limited		-		1,000.00
		-		1,000.00
Loan from directors				
B.Vijayakumar		433.75		186.00
V.Rajvirdhan		201.00		6.00
V.Rajsri		511.00		48.00
Total - Loan from directors		1,145.75		240.00
Loan from inter corporates				
Tribe Investments and Services Private Limited		50.00		50.00
L.G.Farm Products (P) Limited		20.00		20.00
Elgi Automotive Services (P) Limited		175.00		190.00
L.G.B.Auto Products (P) Limited		160.00		85.00
L.G.Sports Ltd		-		25.00
Super Speeds (P) Limited		-		85.00
Total - Loan from inter corporates		405.00		455.00
Total - Short-term borrowings	3,137.62	1,550.75	2,309.63	2,695.00

6 (ii) There was no default in the repayment of the loans, borrowings and interest during the year

Particulars	As at 31.03.2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)
7 TRADE PAYABLES		
Other than acceptances	14,634.24	13,594.59
Total	14,634.24	13,594.59

8 OTHER CURRENT LIABILITIES		
(a) Current maturities of long-term debt	1,611.11	1,977.95
(b) Interest accrued but not due on secured loans	16.75	9.90
(c) Interest accrued but not due on Unsecured loans	-	88.69
(d) Unpaid bond interest	0.35	0.39
(e) Unclaimed Dividends	52.51	47.54

Notes forming part of the financial statements

Particulars	As at 31.03.2015 ₹ in lakhs	As at 31.03.2014 ₹ in lakhs
8 OTHER CURRENT LIABILITIES (CONTD.)		
(f) Other payables:		
(i) Statutory remittances	1,058.65	697.50
(ii) Payable on purchase of fixed assets	2,464.71	318.12
(iii) Interest accrued on deposits from customers	29.46	28.09
(iv) Advance and deposits from customers etc.,	768.01	1,038.92
(v) Liability for expenses	2,412.58	2,606.26
Total	8,414.13	6,813.36
Note :		
8 (i) Current maturities of Long-term debt:		
Refer Note 5(i) for the details of Securities, Guarantee and repayment terms etc.,		
Term Loan - Banks Secured		
Axix Bank Ltd	-	350.00
ICICI Bank Ltd	1,500.00	1,125.00
HDFC Bank Ltd.	111.11	-
Total - Term Loan from banks	1,611.11	1,475.00
Fixed Deposits:		
From Related		
Unsecured		
L.G. Farm Products (P) Ltd	-	40.00
Elgi Automotive Services (P) Ltd	-	20.00
L.G.B.Rolon Chain Limited	-	5.00
Minor.Samriddhi Andal Rajiv	-	49.00
Minor.Vidhur Narayanan Rajiv	-	82.00
Rajvirdhan V	-	40.00
Vijayakumar B	-	130.00
Rajsri V	-	40.00
Super Transports (P) Ltd	-	25.00
Total - from related parties	-	431.00
From others		
Unsecured	-	71.95
Total - deposit from others	-	71.95
Total - Current maturities of Long-term debt	1,611.11	1,977.95
8(ii) There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.		
9 SHORT-TERM PROVISIONS		
(a) Provision - others:		
(i) Provision for proposed equity Dividend	596.46	549.37
(ii) Provision for tax on proposed equity Dividend	121.42	93.36
Total	717.88	642.73

Notes forming part of the financial statements

₹ in Lakhs														
10. FIXED ASSETS														
Description of Assets	GROSS BLOCK					ACCUMULATED DEPRECIATION AND IMPAIRMENT					NET BLOCK			
	Balance as at 01.04.2014	Additions	Disposals	Other Adjustments	Balance as at 31.03.2015	Balance as at 01.04.2014	Depreciation/amortisation expense for the year	Eliminated on Disposal of Assets	Transition adjustment recorded against General Reserve	Other Adjustments	Balance as at 31 March, 2015	Balance as at 31 March, 2015	Balance as at 31 March, 2014	
A TANGIBLE ASSETS:														
(a) Land														
Free Hold	2056.72 (1476.22)	378.23 (580.50)	25.38 (-)	- (-)	2409.57 (2056.72)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	2409.57 (2,056.72)	2056.72 (1476.22)	
Lease Hold	534.31 (198.78)	- (335.53)	- (-)	- (-)	534.31 (534.31)	17.68 (13.56)	5.74 (4.12)	- (-)	- (-)	- (-)	23.42 (17.68)	510.89 (516.63)	516.63 (185.22)	
(b) Buildings														
Own use	4987.62 (3535.97)	2172.73 (966.05)	44.56 (40.45)	- (526.05)	7115.79 (4987.62)	2117.07 (1743.55)	281.00 (265.51)	30.63 (13.42)	- (-)	- (121.43)	2367.44 (2,117.07)	4748.35 (2,870.55)	2870.55 (1792.42)	
Given under operating Lease	7.39 (533.44)	- (-)	- (-)	526.05 (-)	7.39 (7.39)	2.40 (123.57)	0.54 (0.26)	- (-)	- (-)	- (121.43)	2.94 (2.40)	4.45 (4.99)	4.99 (409.87)	
(c) Plant and Equipment Owned														
Owned	32787.27 (30100.25)	5957.14 (2759.91)	199.85 (93.51)	(57.75) (20.62)	38486.81 (32787.27)	17508.19 (15069.47)	3071.89 (2523.50)	141.50 (61.69)	126.90 (-)	- (23.09)	20438.58 (17,508.19)	17921.33 (15,279.08)	15279.08 (15030.78)	
Given under operating Lease	230.79 (223.08)	- (28.33)	- (-)	57.75 (20.62)	288.54 (230.79)	231.58 (197.42)	12.93 (11.07)	- (-)	1.36 (-)	- (23.09)	244.51 (231.58)	42.67 (0.79)	(0.79) (25.66)	
(d) Furniture and Fixtures Owned														
Owned	274.89 (251.68)	36.62 (24.31)	0.56 (1.10)	- (-)	310.95 (274.89)	196.52 (177.31)	32.28 (20.09)	0.53 (0.88)	- (-)	- (-)	228.27 (196.52)	82.68 (78.37)	78.37 (74.37)	
(e) Vehicles Owned														
Owned	269.95 (253.29)	119.83 (50.47)	73.16 (33.81)	- (-)	316.62 (269.95)	105.98 (98.97)	30.34 (24.05)	38.76 (17.04)	- (-)	- (-)	97.56 (105.98)	219.06 (163.97)	163.97 (154.32)	
(f) Office equipment Owned														
Owned	136.07 (120.77)	46.18 (19.15)	4.13 (3.85)	- (-)	178.12 (136.07)	50.77 (45.48)	28.45 (7.89)	3.50 (2.60)	9.09 (-)	- (-)	75.72 (50.77)	93.31 (85.30)	85.30 (75.29)	
(g) Electrical Fittings Owned														
Owned	1322.18 (1289.39)	137.55 (34.21)	3.70 (1.42)	- (-)	1456.03 (1322.18)	878.88 (771.22)	75.92 (108.91)	1.43 (1.25)	- (-)	- (-)	953.37 (878.88)	502.66 (443.30)	443.30 (518.17)	
(h) Other Assets Owned														
Owned	1206.15 (1087.73)	328.32 (129.53)	16.30 (11.11)	- (-)	1518.17 (1206.15)	896.50 (813.05)	121.35 (94.23)	15.16 (10.78)	9.66 (-)	- (-)	1002.69 (896.50)	505.82 (309.65)	309.65 (274.68)	
Total	43813.34	9176.60	367.64	-	52622.30	22005.57	3660.44	231.51	147.01	-	25434.50	27040.79	21807.77	
Previous Year	(39070.60)	(4927.99)	(185.25)	(-)	(43813.34)	(19053.60)	(3059.63)	(107.66)	(-)	(-)	(22005.57)	(21807.77)	(20017.00)	

Notes forming part of the financial statements

₹ in Lakhs													
10. FIXED ASSETS (CONTD.)		GROSS BLOCK				ACCUMULATED DEPRECIATION AND IMPAIRMENT					NET BLOCK		
Description of Assets	Balance as at 01.04.2014	Additions	Disposals	Other Adjustments	Balance as at 31.03.2015	Balance as at 01.04.2014	Depreciation/ amortisation/ expense for the year	Eliminated on Disposal of Assets	Transition adjustment recorded against General Reserve	Other Adjustments	Balance as at 31 March, 2015	Balance as at 31 March, 2015	Balance as at 31 March, 2014
B. INTANGIBLE ASSETS:													
(a) Computer-Software	450.47 (421.22)	52.64 (29.25)	- (-)	- (-)	503.11 (450.47)	392.12 (357.47)	28.77 (34.65)	- (-)	- (-)	- (-)	420.89 (392.12)	82.22 (58.35)	58.35 (63.75)
(b) Technical Know-How	687.80 (629.51)	46.28 (58.29)	- (-)	- (-)	734.08 (687.80)	448.85 (406.01)	44.47 (42.84)	- (-)	- (-)	- (-)	493.32 (448.85)	240.76 (238.95)	238.95 (223.50)
Total	1138.27	98.92	-	-	1237.19	840.97	73.24	-	-	-	914.21	322.98	297.30
Previous Year	(1,050.73)	(87.54)	(-)	(-)	(1,138.27)	(763.48)	(77.49)	(-)	(-)	(-)	(840.97)	(297.30)	(287.25)
(₹ in lakhs)													
Particulars													
											As at	As at	
											31.03.2015	31.03.2014	
C) Depreciation and amortisation relating to continuing operations:													
Depreciation and amortisation for the year on tangible assets as per note 10 A											3,660.44	3,059.63	
Depreciation and amortisation for the year on intangible assets as per note 10 B											73.24	77.49	
Total											3,733.68	3,137.12	

Notes forming part of the financial statements

₹ in Lakhs

11. NON-CURRENT INVESTMENT

Particulars	As at 31st March 2015				As at 31st March 2014			
	Number of Shares	Quoted	Un Quoted	Total	Number of Shares	Quoted	Un Quoted	Total
Investments (At Cost)								
A. Trade								
(a) Investment in Equity instruments:								
(i) Subsidiaries :								
BCW V Tech India Pvt Ltd.,	4999999		499.99	499.99	4999999		499.99	499.99
LGB U.S.A.	557.80		1369.66	1369.66	410.64		1244.32	1244.32
(ii) Associate:								
Renold Chain India Private Limited	10250000		1025.00	1025.00	10250000	-	1025.00	1025.00
(iii) Others:								
Supreme Rubber Reclaimers Ltd	50	0.01	-	0.01	50	0.01	-	0.01
Bharath Rubber Regenerating Co. Ltd	200	-	-	-	200	-	-	-
Elgi Equipments Ltd	1229706	112.50	-	112.50	1229706	112.50	-	112.50
LGB Forge Limited	29000000	612.89	-	612.89	29000000	612.89	-	612.89
Silent Chain India (P) Limited	770	-	0.15	0.15	770	-	0.15	0.15
LG Farm Products (P) Ltd	10000	-	1.00	1.00	10000	-	1.00	1.00
Rolon Fine Blank Limited	-	-	-	-	5000	-	0.50	0.50
LGB Rolon Chains Limited	-	-	-	-	5000	-	0.50	0.50
South Western Engineering India Limited	537	-	65.52	65.52	537	-	65.52	65.52
B. Non-trade								
(a) Investment in Equity instruments:								
(i) Others:								
Super Spinning Mills Ltd	10000	0.01	-	0.01	10000	0.01	-	0.01
Tube Investments of India Ltd	1100	0.01	-	0.01	1100	0.01	-	0.01
Corporation Bank	12000	1.92	-	1.92	2400	1.92	-	1.92
Tata Refractory Ltd	5000	-	2.01	2.01	5000	-	2.01	2.01
Manish Commercial Premises								
Co-operative Society Ltd, Mumbai	5	-	-	-	5	-	-	-
Kaveri Steels Ltd	100	-	-	-	100	-	-	-
		727.34	2,963.33	3,690.67		727.34	2,838.99	3,566.33

(₹ in lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Aggregate amount of quoted investments	727.34	727.34
Aggregate market value of the listed and quoted investments	3,636.89	1,706.72
Aggregate value of listed but not quoted investments	-	-
Aggregate value of unquoted investments	2,963.33	2,838.99

Notes forming part of the financial statements

Particulars	As at 31.03.2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)
12 LONG-TERM LOANS AND ADVANCES		
(a) Capital advance		
Unsecured, considered good	1,071.69	1,556.93
(b) Security and other deposits		
Unsecured, considered good	497.17	304.34
(c) Loans and advances to employees		
Unsecured, considered good	-	0.12
(d) Advance income-tax (net of provision ₹6168.50 Lakhs) (As at 31.03.2014 Rs.6037.86 Lakhs)		
Unsecured, considered good	31.83	248.91
(e) Mat credit entitlement		
Unsecured, considered good	337.34	300.15
(f) Other loans and advances		
(i) Advance recoverable		
Unsecured, considered good	121.19	124.22
Unsecured, considered doubtful	-	-
Less: provision for other loans and doubtful advances	-	-
(ii) Rent and other advances		
Unsecured, considered good	331.65	299.18
Total	2,390.87	2,833.85

13 OTHER NON-CURRENT ASSETS

(a) Accruals:		
Income and claims receivables	37.83	37.83
Total	37.83	37.83

14 INVENTORIES

(At Lower of cost and net realisable value)		
(a) Raw Materials	4,745.51	4,086.40
(b) Work-in-progress (Refer Note (i))	7,613.58	6,973.97
(c) Finished products (Refer Note (ii))	5,076.33	4,361.03
(d) Stock-in-trade (acquired for trading)	787.88	1,127.07
Goods in Transit	300.21	236.88
(e) Others		
(i) Packing materials	284.79	270.78
(ii) Stores & spares	1,586.69	1,392.53
(iii) Loose tool	1,249.11	1,007.51
(iv) Agricultural produce	4.35	-
Total	21,648.45	19,456.17

Notes forming part of the financial statements

Particulars	As at 31.03.2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)
14 INVENTORIES (CONTD)		
Notes:		
14(i) Details of inventory of work-in-progress		
Transmission	5,390.65	4,849.47
Metal forming	1,772.44	1,683.81
Others	450.49	440.69
Total	7,613.58	6,973.97
(ii) Details of inventory of finished goods		
Transmission	4,116.63	3,693.03
Metal forming	940.28	659.60
Others	19.42	8.40
Total	5,076.33	4,361.03

15 TRADE RECEIVABLE		
(a) Trade Receivable outstanding for a period exceeding six months from the date they were due for payment		
(i) Unsecured, considered good	94.51	46.75
(ii) Unsecured, considered doubtful	85.35	92.26
Less: Provision for doubtful trade receivables	85.35	92.26
-	-	-
(b) Other Trade receivable		
(i) Unsecured, considered good	12,409.00	12,464.31
(ii) Doubtful	61.47	40.21
Less: Provision for doubtful trade receivables	61.47	40.21
-	-	-
Total	12,503.51	12,511.06
Note:		
15(i) Trade Receivable include debt due from		
Private companies in which any director is a director		
LGB Fuel Systems (P) Limited	-	0.04
Super Speeds (P) Limited	0.21	0.10
Silent Chain India (P) Limited	0.11	0.11
Renold Chain India (P) Limited	218.04	323.27
Total	218.36	323.52

16 CASH AND CASH EQUIVALENTS		
A Cash and cash equivalents (as per AS 3 Cash Flow Statements)		
(a) Cash- on- Hand	46.02	26.61
(b) Cheque and Demand Drafts on Hand	-	2.20
(c) Balances with Banks		
(i) In Current Account	178.72	74.79
(ii) In Collection Account	241.52	298.31
(iii) In Deposit Account	12.00	12.43
Total	478.26	414.34

Notes forming part of the financial statements

Particulars	As at 31.03.2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)
16 CASH AND CASH EQUIVALENTS (CONTD.)		
B OTHERS		
(a) In Fixed Deposits	46.08	51.27
(b) In Margin money with Banks	-	0.87
(c) In Earmarked Accounts		
(i) Unpaid Dividend Account	52.51	47.54
(ii) Unpaid Interest Account	0.35	0.39
Total	98.94	100.07
Total Cash and cash equivalents (A+B)	577.20	514.41
Notes:		
(i) Balances with banks include deposits with remaining maturity of more than 12 months from the balance sheet date		

17 SHORT-TERM LOANS AND ADVANCES		
a) Loans and advances to employees		
Unsecured and considered good	46.26	49.49
(b) Prepaid expenses		
Unsecured and considered good	206.22	27.71
(c) Balance with govt authorities:		
(i) Cenvat credit receivable	919.91	413.58
(ii) Vat credit receivable	272.75	161.96
(iii) Service tax credit receivable	219.39	330.41
(d) Due from subsidiary company		
Unsecured and considered good	42.74	98.95
(e) Advance recoverable		
Unsecured and considered good	433.48	190.82
Total	2,140.75	1,272.92

18 OTHER CURRENT ASSETS		
(a) Others		
(i) Income and claims receivable	119.20	31.16
(ii) Interest accrued on deposits	4.31	3.52
Total	123.51	34.68

19 REVENUE FROM OPERATIONS		
a) Sale of products (Refer Note (i) below)	109,151.11	102,026.06
b) Sale of services (Refer Note (ii) below)	390.17	161.36
c) Other operating revenue (Refer Note (iii) below)	6,216.22	6,291.55
Revenue from operations (Gross)	115,757.50	108,478.97
Less: Excise duty	10,931.12	9,686.70
Total	104,826.38	98,792.27

Notes forming part of the financial statements

Particulars	Year ended 31.03.2015 (₹ in lakhs)	Year ended 31.03.2014 (₹ in lakhs)
19 REVENUE FROM OPERATIONS (CONTD.)		
Note:		
(i) Sale of products		
Manufactured goods:		
Transmissions	84,213.64	76,675.32
Metal Forming	18,755.96	16,436.06
Others	1,253.46	938.46
Total - sale of manufactured goods	104,223.06	94,049.84
Traded goods:		
Light commercial vehicles	4,928.05	7,976.22
Total - Sale of traded goods	4,928.05	7,976.22
Total - Sale of products	109,151.11	102,026.06
(ii) Sale of services:		
Service income on vehicles	390.17	161.36
Total - Sale of services	390.17	161.36
(iii) Other operating revenue:		
Scrap sales	6,102.65	6,156.13
Duty drawback and other export incentives	113.57	135.42
Total - other operating revenue	6,216.22	6,291.55
Total	115,757.50	108,478.97

20 OTHER INCOME		
a) Interest income (Refer Note (i) below)	37.81	11.78
b) Dividend income:		
from long-term investments		
(i) Others	17.85	14.87
c) Net gain on foreign currency transactions and translation	54.49	-
d) Other non-operating income		
(i) Rental and lease income	111.76	97.02
(ii) Agricultural income	10.89	10.20
(iii) Profit on sale of assets (net)	674.29	340.16
(iv) Miscellaneous receipts	37.98	-
Total	945.07	474.03
Note:		
(i) Interest income:		
Interest on fixed deposit with banks	7.81	6.49
Interest on deposit with TNEB	30.00	1.17
Interest on inter corporate deposit	-	3.67
Interest on NHAI bonds	-	0.45
Total - Interest income	37.81	11.78

(ii) Profit on sale of assets includes exceptional item - Profit on sale of Land and Building - ₹ 660.80 Lakhs

Notes forming part of the financial statements

Particulars	Year ended 31.03.2015 (₹ in lakhs)	Year ended 31.03.2014 (₹ in lakhs)
21-a COST OF MATERIALS CONSUMED		
Opening Stock:	4,357.18	4,040.92
Add: Purchases	44,641.99	41,842.71
Less: Closing Stock	5,030.30	4,357.18
Cost of material consumed	43,968.87	41,526.45
Material consumed comprises:		
Steel Strips, Wires, rods, bars	32,975.19	30,177.84
Blanks, 'O' Rings and others	7,525.63	8,560.17
Rubber and Chemicals	453.20	283.14
Packing Materials	3,014.85	2,505.30
Total	43,968.87	41,526.45

21-b PURCHASE OF TRADED GOODS		
Purchase of light commercial vehicle	5,723.00	7,173.91
Total	5,723.00	7,173.91

21-c CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Inventories at the end of the year		
Finished goods	5,076.33	4,361.03
Work-in-progress	7,613.58	6,973.97
Stock-in-trade	1,088.09	1,363.95
	13,778.00	12,698.95
Inventories at the beginning of the year		
Finished goods	4,361.03	3,960.66
Work-in-progress	6,973.97	6,052.11
Stock-in-trade	1,363.95	2,303.97
	12,698.95	12,316.74
Net (increase)/ decrease	(1,079.05)	(382.21)

22 EMPLOYEE BENEFITS EXPENSES		
(a) Salaries and wages	11,287.13	9,830.09
(b) Contribution to provident and other funds	844.41	935.79
(c) Staff welfare expenses	844.39	745.54
Total	12,975.93	11,511.42

23 FINANCE COST		
(a) Interest expenses:		
(i) On borrowings:	1,403.35	1,422.42
(b) Other borrowing cost	228.49	268.61
Total	1,631.84	1,691.03

Notes forming part of the financial statements

Particulars	Year ended 31.03.2015 (₹ in lakhs)	Year ended 31.03.2014 (₹ in lakhs)
24 OTHER EXPENSES		
(a) Consumption of stores and spare parts (Refer Note 25.7)	8,197.55	6,792.29
(b) Processing charges	6,589.68	5,985.99
(c) Power and Fuel	4,284.99	4,046.66
(d) Rent including lease rentals (Refer Note 26.5)	621.27	629.10
(e) Repairs & maintenance of		
(i) Buildings	237.41	219.48
(ii) Machinery	1,911.07	1,648.03
(iii) Other assets	440.30	399.98
(f) Insurance	93.30	87.31
(g) Rates and taxes	137.71	145.17
(h) Travelling and conveyance	810.98	697.38
(i) Printing and stationery	86.37	75.75
(j) Postage, telegram and telephones	180.92	164.18
(k) Freight, packing & forwarding	3,371.56	3,526.68
(l) Advertisement, publicity and selling expenses	219.05	462.52
(m) Trade discount	1,936.85	1,738.27
(n) Donations	2.50	7.50
(o) Expenditure on Corporate Social Responsibility	116.41	-
(p) Legal and professional charges	123.92	154.48
(q) Payments to auditors (Refer note (i) below)	16.50	15.00
(r) Bad debts written off	-	19.94
(s) Assets condemned & written off	19.93	15.68
(t) Provision for doubtful debts/advances	23.72	12.02
(u) Loss on foreign currency transactions and translation	90.02	260.23
(v) Sales-tax, entry tax & octroi	217.09	128.30
(w) Sitting fees	6.60	5.85
(x) Watch and Ward	507.96	431.11
(y) Agricultural expenses	7.40	16.11
(z) Miscellaneous expenses	89.03	70.18
	30,340.09	27,755.19
Note		
(i) Details of Auditors' remuneration:		
Payment to auditors comprises		
(a) To Statutory Auditors:		
For statutory audit	9.50	9.00
For taxation matters	3.00	2.50
For certification and other services	2.50	2.00
(b) To cost auditors for cost audit	1.50	1.50
Total	16.50	15.00

Notes forming part of the financial statements

Particulars	As at 31.03.2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)
25 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENT:		
25.1 Contingent liabilities and commitments (to the extent not provided for)		
(i) Contingent liabilities:		
(a) Claims against the Company, not acknowledged as debt - disputed tax liability.		
i. Central Excise	624.28	538.80
ii. Entry Tax	408.36	408.36
iii. Service tax	10.02	21.41
iv. VAT / CST	454.33	289.81
	1,496.99	1,258.38
(b) Guarantee given by Bankers and outstanding	38.36	85.88
(c) Corporate guarantee given for others	4,450.00	5,750.00
(d) Estimated customs duty obligation on imports, if corresponding export obligation is not satisfied.	1,784.97	1,522.94

Note : Future Cash outflows in respect of the above matters are determinable only on receipt of Judgements/decisions pending at various forums / authorities.

(ii) Commitments:

Particulars	As at 31.03.2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)
Estimated amount of contracts remaining to be executed on capital account and not provided for - Tangible assets	7,886.59	6,701.99

25.2 Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the Auditors.

Other disclosures are as under:

Sl. No.	Particulars	As at 31.03.2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)
(i)	Principal amount remaining unpaid to any supplier as at end of the accounting year	188.34	165.28
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	NIL	NIL

Notes forming part of the financial statements

25.2 Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (Contd.)

Sl. No.	Particulars	As at 31.03.2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)
(iii)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the payment made to the supplier beyond the appointed day during the year.	NIL	NIL
(iv)	Amount of interest due and payable for the period of delay in making payment but without adding interest as specified in the Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL
(v)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	NIL	NIL
(vi)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the dues are actually paid for the purpose of disallowance under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL

25.3 Disclosure as per Clause 32 of the Listing Agreement with Stock Exchanges: (₹ in lakhs)

Particulars	Relationship	As at 31.03.2015	Maximum balance outstanding during the year
Loans and advances: LGB - USA, INC	Subsidiary		
		-	2.44
		(2.44)	(123.48)

Note: Figures in bracket relate to the previous year.

25.4 Details on derivative instruments and unhedged foreign currency exposures:

- I. The following derivative positions are open as at 31st March, 2015. These transactions have been undertaken to act as economic hedges for the Company's exposures to various risks in foreign exchange markets and may/may not qualify or be designated as hedging instruments. The accounting for these transactions is stated in Notes 2.11.

- (a) Forward exchange contracts and options (being derivative instruments), which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables.

- (i) Outstanding forward exchange contracts entered into by the Company as on 31st March, 2015

Currency	in Lakhs	Buy/sell	Cross currency
EUR	8.00 (24.00)	Sell	Rupees

Note: Figures in bracket relate to the previous year.

Notes forming part of the financial statements

25.4 Details on derivative instruments and unhedged foreign currency exposures: (Contd.)

- ii. The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below: (in Lakhs)

As at March 31, 2015		As at March 31, 2014	
Currency	Receivable/(Payable) in Foreign currency	Currency	Receivable/ (Payable) in Foreign currency
USD	22.86	USD	11.99
USD	(33.23)	USD	(9.84)
EUR	7.68	EUR	18.77
EUR	(17.26)	EUR	(041)
JPY	-	JPY	-
JPY	(23.40)	JPY	(-)
GBP	0.11	GBP	0.10
GBP	(-)	GBP	(-)
CHF	-	CHF	-
CHF	(6.73)	CHF	(-)

Particulars	Year ended 31.03.2015 (₹ in lakhs)	Year ended 31.03.2014 (₹ in lakhs)
25.5. Value of imports calculated on CIF basis		
Raw Materials	4,605.57	5,486.04
Stores and Spares	165.33	132.11
Capital Goods	4,233.13	591.00
Total	9,004.03	6,209.15
25.6. Expenditure in foreign currency		
Travelling	46.31	22.90
Technical know-how fee	41.82	56.19
Interest	3.78	4.77
Others	27.70	72.17
Total	119.61	156.03
25.7. Details of consumption of imported and indigenous items	For the year ended 31 March 2015	
Raw Material	Value	%
Imported	4,584.51	10.43
	(5,374.50)	(12.94)
Indigenous	39,384.36	89.57
	(36,151.95)	(87.06)
Total	43,968.87	100.00
	(41,526.45)	(100.00)
Spare Parts & Components:		
Imported	136.19	1.66
	(185.13)	(2.73)
Indigenous	8,061.36	98.34
	(6,607.16)	(97.27)
Total	8,197.55	100.00
	(6,792.29)	(100.00)

Note: Figures in bracket relate to the previous year.

Notes forming part of the financial statements

25.8. Earnings in foreign exchange

Particulars	Year ended	Year ended
	31.03.2015 (₹ in lakhs)	31.03.2014 (₹ in lakhs)
On account of Export of Goods at FOB value	9,811.78	9,085.89

25.9. a) Remuneration to Chairman cum Managing Director (CMD) and Deputy Managing Director (DMD) is included in Salary, Wages & Bonus: (₹ in lakhs)

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	CMD	DMD	CMD	DMD
Salaries & Allowances	63.16	30.00	54.44	30.00
Commission	162.89	24.43	136.36	20.45
Contribution to Provident Fund	7.58	3.60	6.53	3.60
Total	233.63	58.03	197.33	54.05

Note: Provisions for / contributions to employee retirement benefits, which are based on actuarial valuations done for the Company as a whole, are excluded from the above.

b) Computation of net profit under section 198 of the Companies Act, 2013 and commission payable to the Chairman cum Managing Director and Deputy Managing Director:

Particulars	As at 31.03.2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)
Profit before tax	8,477.09	6,853.39
Add: Managerial remuneration (Refer Note)	291.66	251.38
Sitting fees to directors	6.60	5.85
Provision for doubtful debts/advances	23.72	12.02
Bad debts written off	-	19.94
Loss on Sales of Assets	22.82	1.59
Assets condemned and written off	19.93	15.68
Less: Profit on Sale of Assets/Investments	697.11	341.75
Net profit	8,144.71	6,818.10
Maximum remuneration payable to Chairman & Managing Director and Deputy Managing Director - 10% of the net profit	814.47	681.81
Commission payable @ 2% of Net Profit to CMD	162.89	136.36
Commission payable @ 0.30% of Net Profit to DMD	24.43	20.45

Note: The remuneration paid / payable to the Chairman cum Managing Director and Deputy Managing Director for the year is within the limits specified in Section 198 of the Companies Act, 2013.

25.10. Excise duty amounting to ₹ 102.88 Lakhs (Previous Year: ₹ 69.20 Lakhs) is included in the finished goods stock value, pending clearance from factories

Notes forming part of the financial statements

Particulars	As at 31.03.2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)
26.1 Details of government grants		
Government grants received by the Company during the year towards		
Duty drawback and other export incentives	163.91	135.42
Total	163.91	135.42

26.2 Employee benefit plans

Defined Contribution plans:

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized ₹ 519.01 Lakhs (Year ended 31 March, 2014 ₹ 387.08Lakhs) for Provident Fund contributions and ₹ 8.49 Lakhs (Year ended 31 March, 2014 ₹ 7.60 Lakhs) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

State plans:

The Company makes ESI contributions to Employees State Insurance Scheme. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 157.36 Lakhs (Year ended 31 March, 2014 ₹ 154.72 Lakhs) in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Scheme.

Defined Benefit Plan - Gratuity:

The Company provides gratuity benefit (included as part of employees contribution to funds in Note 22 Employee benefits expense) to all eligible employees, which is funded with Life Insurance Corporation of India.

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

Particulars	Year ended 31.03.2015 (₹ in lakhs)	Year ended 31.03.2014 (₹ in lakhs)
Components of employer expenses		
Current service cost	125.17	70.66
Interest cost	65.84	64.97
Expected return on Plan Assets	(116.64)	(85.41)
Actuarial (gains) / losses	37.69	58.51
Past service cost		
Total expense recognized in Statement of Profit and Loss*	112.06	108.73
Actual contribution and the benefit payments for the year		
Actual benefit payments	(64.64)	(37.98)
Actual contribution	286.42	0.14
Net Asset/(Liability) recognized in the Balance Sheet		
Present value of benefit obligation	1,391.49	877.43
Fair value of plan assets	1,814.65	1,126.22
Funded Status [Surplus/(Deficit)] *	423.16	248.79

Notes forming part of the financial statements

Particulars	Year ended 31.03.2015 (₹ in lakhs)	Year ended 31.03.2014 (₹ in lakhs)
Net Asset/(Liability) recognized in the Balance Sheet	423.16	248.79
Change in defined benefit obligations(DBO) during the year		
Present value of DBO at beginning of the year	877.43	729.01
Current service cost	125.17	70.66
Interest cost	65.84	64.97
Actuarial (gain) / loss on obligation	387.69	50.78
Benefits paid	(64.64)	(37.98)
Present value of DBO at the end of the year	1,391.49	877.43
Change in the Fair Value of assets during the year		
Plan Assets at beginning of the year	1,126.22	1,086.38
Acquisition adjustment		
Expected return on Plan Assets	116.64	85.41
Contributions by the employer	286.43	0.14
Actuarial gain / (loss)	350.00	(7.73)
Benefits paid	(64.64)	(37.98)
Plan Assets at the end of the year	1,814.65	1,126.22
Reconciliation of Present Value (PV) of Obligation and Fair Value (FV)		
Closing PV of Obligation	1,391.49	877.43
Closing FV of Plan Assets	1,814.65	1,126.22
Funded Status [Surplus/(Deficit)] *	423.16	248.79
* - Included under the head "Employee Benefits" in Schedule 22		
Composition of the Plan assets is as follows:		
Equity instruments		
Debt instruments		
Property		
Insurer managed asset *		
* - The details with respect to the composition of investments in the fair value of plan assets have not been disclosed in the absence of the aforesaid information.		
Actuarial assumptions		
Discount Rate (per annum)	7.79%	9.15%
Rate of increase in compensation levels (per annum)	10.00%	7.50%
Expected return on plan assets (per annum)	8.00%	8.00%
* - Included in "Contribution to Provident & Other Funds" in Note 22		
Experience adjustments		
Actuarial (Gains) and Losses on Obligation	387.69	50.78
Actuarial (Gains) and Losses due to change in Assumptions		
Actuarial (Gains) and Losses on Plan assets	350.00	7.73
Total (Gain) / and Losses for the year	37.69	58.51
Actuarial (Gains) and Losses Recognised in the year	37.69	58.51
Unrecognised Actuarial (Gains) and Losses for the year		

Note: (i) The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

(ii) The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Notes forming part of the financial statements

26.3 Segment information

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. Business segments are primarily transmission, metal forming and others. Revenues and expenses directly attributable to segments are reported under each reportable segments. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments. Geographical revenues are allocated based on the location of the customer. Geographic segments of the Company and within India and outside India.

Particulars	As at 31.03.2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)
Primary Segment Information (Business Segments):		
A. Segment Revenue:		
Transmission	79,977.88	72,950.08
Metal Forming	18,459.69	16,594.93
Others	6,388.81	9,247.26
Total	104,826.38	98,792.27
B. Segment Results:		
Transmission	7,784.70	7,392.82
Metal Forming	2,329.15	1,531.39
Others	(665.72)	(379.99)
Total	9,448.13	8,544.42
Interest Expenses	1,631.84	1,691.03
Unallocated income net of unallocated expenses	660.80	-
Profit before tax	8,477.09	6,853.39
Provision for taxation	2,037.49	1,418.97
Profit after tax	6,439.60	5,434.42

C. Other Information:

₹ in lakhs

Particulars	As at 31 March, 2015		For the year ended 31 March, 2014		
	Segment Assets	Segment Liabilities	Capital Expenditure	Depreciation	Non-cash expenditure excluding depreciation
Transmission	39956.08	14827.80	8159.65	1690.82	30.35
	(31203.77)	(11999.89)	(3781.12)	(1264.91)	(9.05)
Metal Forming	20865.41	3881.11	702.12	1669.80	33.53
	(19665.66)	(4164.38)	(912.44)	(1385.10)	(34.89)
Others	8990.32	2728.37	413.75	373.06	2.60
	(8551.69)	(2908.46)	(321.97)	(487.11)	(5.29)
Unallocated	3722.50	16284.37	-	-	-
	(3815.24)	(14089.44)	(-)	(-)	(-)

Note: Figures in bracket relate to the previous year

Note: Components of business segments are as under:

Transmission	- Chains & Sprockets	Metal Forming	- Fine Blanking, Machining and Wire drawing products
Others	- Trading Goods		

Notes forming part of the financial statements

Particulars	As at 31.03.2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)
Secondary Segment Information (Geographical Segment)		
1) Segment Revenue:		
Within India	94,964.26	89,706.38
Outside India	9,862.12	9,085.89
Total	10,4826.38	98,792.27
2) Segment Assets:		
Within India	67,325.13	56,980.54
Outside India	2,486.67	2,440.58
Total	69,811.80	59,421.12
3) Capital Expenditure:		
Within India	9,275.52	5,015.53
Outside India	-	-
Total Capital Expenditure	9,275.52	5,015.53

26.4. Related party transactions : (As identified by the Management and relied upon by Auditors)

A. Name of related parties and nature of relationship where control exists are as under:

i) **Enterprise over which the Company may exercise significant influence**

Elgi Automotive Services (P) Limited	LGB Fuel Systems Private Limited
L.G.B. Auto Products (P) Limited	LGB Forge Limited
LG Farm Products (P) Limited	Rolon Fine Blank Limited
L.G. Balakrishnan & Bros - Karur	LGB Rolon Chain Limited
LG Sports Limited	Tribe Investments and Services Private Limited
Super Speeds Private Limited	South Western Engineering India Limited
Super Transports Private Limited	Silent Chain India Private Limited

ii) **Associates**

Renold Chain India Private Limited

iii) **Subsidiary Company**

BCW V Tech India Private Limited - 100%
LGB USA, INC - 75.22%

iv) **Step Down Subsidiary Company**

GFM Acquisition LLC Holding by LGB USA : 90.97% GFM LLC Holding by GFM Acquisition LLC: 100%

v) **Key Management Personnel**

a. Sri. B. Vijayakumar,
Chairman cum Managing Director

b. Sri. P. Prabakaran,
Deputy Managing Director

vi) **Relatives of Key Management Personnel**

Relatives of Sri. B. Vijayakumar			
Wife	: Smt. Vijayshree V.	Daughter	: Smt. Rajsri Vijayakumar
Sons	: Sri. V. Rajvirdhan	Daughter's Husband	: Sri. Rajiv Parthasarathy
	Sri. Nithin Karivardhan	Daughter's daughter	: Minor. Samridhi Andal Rajiv
	Sri. Arjun Karivardhan	Daughter's Son	: Minor. Vidhur Narayanan Rajiv
Relatives of Sri. P. Prabakaran			
Father	: Sri. K. Palanichamy	Wife	: Smt. D. Maheswari
Mother	: Smt. Rajalakshmi	Son	: Sri. P. Suryakumar

Notes forming part of the financial statements

(₹ in lakhs)

Nature of transactions	Associates / Others	Subsidiaries	Key Managerial Personnel	Relatives of Key Managerial Personnel	Total
Managerial Remuneration					
B. Vijayakumar	-	-	233.63	-	233.63
	-	-	(197.33)	-	(197.33)
P. Prabakaran	-	-	58.03	-	58.03
	-	-	(54.05)	-	(54.05)
Loan Receipts (Borrowing)	135.00	-	1305.00	1086.00	2526.00
	(1090.00)	(-)	(788.00)	(530.00)	(2408.00)
Loan Repayment (Borrowing)	185.00	-	1057.25	428.00	1670.25
	(937.00)	(-)	(777.00)	(732.00)	(2446.00)
Interest Receipts	-	-	-	-	-
	(-)	(3.67)	(-)	(-)	(3.67)
Interest Expense	39.19	-	55.41	37.09	131.69
	(57.63)	-	(33.10)	(34.48)	(125.21)
Loan Repayment	-	-	-	-	-
	(-)	(134.84)	(-)	(-)	(134.84)
Equity Investment	-	125.34	-	-	125.34
	(-)	(166.45)	(-)	(-)	(166.45)
Dividend Receipts	0.59	-	-	-	0.59
	(1.93)	(-)	(-)	(-)	(1.93)
Dividend Payments	89.11	-	168.00	234.83	491.94
	(73.85)	(-)	(78.57)	(118.18)	(270.60)
Rent Income	76.67	14.56	-	-	91.23
	(46.75)	(14.56)	(-)	(-)	(61.31)
Rent / Lease Expenses	16.67	-	-	-	16.67
	(110.97)	(-)	(-)	(-)	(110.97)
Purchase of Materials, Spares & power	2318.76	-	-	-	2318.76
	(1729.23)	(-)	(-)	(-)	(1729.23)
Processing / Conversion Cgs Payment	44.50	8.60	-	-	53.10
	(282.13)	(42.36)	(-)	(-)	(324.49)
Sale of Materials, Stores and Service Charges	1,533.20	-	-	-	1,533.20
	(1,500.22)	(78.37)	(-)	(-)	(1,578.59)
Processing Charges Receipts	58.31	99.45	-	-	157.76
	(17.23)	(15.78)	(-)	(-)	(33.01)
Sale of Fixed Assets	10.87	-	-	-	10.87
	(9.29)	(-)	(-)	(-)	(9.29)
Purchase of Fixed Assets	325.27	-	-	-	325.27
	(1452.83)	(105.53)	(-)	(-)	(1558.36)
Receivable Balance	230.93	45.83	-	-	276.76
	(337.22)	(51.43)	(-)	(-)	(388.65)
Payable Balance	185.57	3.09	-	-	188.66
	(296.62)	45.08	(-)	(-)	(251.54)
Unsecured borrowings balance	405.00	-	433.75	712.00	1550.75
	(455.00)	(-)	(186.00)	(54.00)	(695.00)

Note : 1) Figures in bracket relate to the previous year

2) None of the balances due to or receivable from related parties have been adjusted or written-off during this period.

Notes forming part of the financial statements

Particulars	As at 31.03.2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)
Loan receipts:		
Key Managerial personnel:		
Sri.B.Vijayakumar	1,305.00	788.00
Relatives of key managerial personnel:		
Sri.V.Rajvirdhan	410.00	326.00
Loan repayment:		
Key managerial personnel:		
Sri.B.Vijayakumar	1,057.25	777.00
Relatives of key managerial personnel:		
Smt.V.Rajsri	213.00	150.00
Sri.V.Rajvirdhan	215.00	336.00
Interest expense:		
Associates/Others:		
Elgi Automotive Services Private Limited	14.85	24.48
Key managerial personnel:		
Sri.B.Vijayakumar	55.41	33.10
Relatives of key managerial personnel:		
Sri.V.Rajvirdhan	15.61	9.08
Dividend payment:		
Associates/Others:		
L.G.B.Auto Products Private Limited	50.92	26.60
Key managerial personnel:		
Sri.B.Vijayakumar	167.97	78.57
Relatives of key managerial personnel:		
Sri.V.Rajvirdhan	147.31	74.49
Smt.V.Rajsri	73.00	36.13
Purchase of Fixed Assets:		
Associates/Others:		
LGB Forge Limited	324.02	1,432.38
Rent income		
Associates/Others:		
LGB Forge Limited	49.03	36.26
Rent /Lease payment		
Associates/Others:		
South Western Engineering India Limited	11.76	-
Purchase of material, spares & power		
Associates/Others:		
Renold Chain India (P) Limited	1,655.08	1,417.22
LGB Forge Limited	282.07	-
Processing/conversion charges payment		
Associates/Others:		
Silent Chain India (P) Limited	44.50	46.43
Processing receipts		
Associates/Others:		
LGB Forge Limited	56.99	16.89
Sale of Material ,Stores and Service charges		
Associates/Others:		
Renold Chain India (P) Limited	1,404.71	1,359.75

Notes forming part of the financial statements

Note	Particulars	As at 31.03.2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)
26.5	Details of leasing arrangements		
	As Lessor		
26.5.a	The Company has entered into operating lease arrangements for certain surplus facilities and equipments. The lease is non-cancellable and may be renewed based on mutual agreement of the parties.		
	Future minimum lease payments		
	Not later than one year	85.18	94.78
	Later than one year and not later than five years	40.88	101.02
	Later than five years	-	-
-	Contingent rents recognised as income during the year (state basis)	NA	NA
	Depreciation recognised on the leased assets	13.47	11.07
	Impairment losses recognised on the leased assets	-	-
	Impairment losses reversed on the leased assets	-	-
	Accumulated depreciation on the leased assets	247.45	233.98
	As Lessee		
26.5.b	The Company has entered into operating lease arrangements for certain facilities and office premises. The leases are non-cancellable and may be renewed based on mutual agreement of the parties.		
	Future minimum lease payments		
	Not later than one year	198.83	344.30
	Later than one year and not later than five years	34.85	229.00
	Later than five years	-	-
	Lease payments recognised in the Statement of Profit and Loss	627.27	629.10
	Contingent rents recognised as expense during the year (state basis)	NA	NA
26.6	Earnings per share		
	Basic & Diluted:		
	Continuing operations:		
	Net profit after tax from continuing operations - (₹ in lakhs)	6,439.60	5,434.42
	Profit attributable to Equity Shareholders - (₹ in lakhs) (A)	6,439.60	5,434.42
	Total number of Equity Shares outstanding at Balance Sheet date.	15,696,208	15,696,208
	Weighted average number of Equity Shares outstanding, considered for the purpose of computing Basic EPS (B)	15,696,208	15,696,208
	Nominal value of Equity Shares - In ₹	10	10
	Basic and Diluted Earnings Per Share-In ₹ (A/B)(Not annualized)	41.03	34.62
26.7	Deferred tax liability		
	Tax effect of items constituting Deferred Tax liability		
	On difference between book balance and tax balance of fixed assets	1,721.00	1,777.56

Notes forming part of the financial statements

Note	Particulars	As at 31.03.2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)
27	DETAILS OF R&D EXPENSES		
	1) Capital	24.35	74.43
	2) Salaries & Wages	192.56	165.36
	3) R&D Materials	56.80	26.44
	4) Maintenance	28.17	21.49
	5) Other Expense	75.43	79.23
		377.31	366.95

Note:

While the accounts of R & D department are maintained separately, for the purpose of presentation, the administrative and other expenses are clubbed alongwith other functional head of expenses and presented in the Statement of Profit and Loss.

- 28 Previous year figures have been regrouped and reclassified, wherever necessary, to correspond with the current year's classification/disclosure.

"In terms of our report attached"

For **DELOITTE HASKINS & SELLS**
Chartered Accountants

C.R. RAJAGOPAL
Partner
Coimbatore
30.04.2015

For and on behalf of Board of Directors

B. VIJAYAKUMAR
Chairman cum Managing Director
DIN: 00015583

M. LAKSHMI KANTH JOSHI
General Manager cum Company Secretary

P. PRABAKARAN
Deputy Managing Director
DIN : 01709564

N. RENGARAJ
Chief Financial Officer

Cash Flow Statement for the year ended 31 March, 2015

PARTICULARS	31.03.2015 (₹ in Lakhs)	31.03.2014 (₹ in Lakhs)
A. Cash flow from operating activities		
Net Profit before Tax and Extra ordinary items	8,477.09	6,853.39
Adjustments for		
Depreciation	3,733.68	3,137.12
Asset Condemned and written off	19.93	15.68
(Profit) or Loss on sale of assets	(674.29)	(340.16)
(Profit) or Loss on sale of investments	-	-
Finance charges	1,631.84	1,691.03
Interest income	(37.81)	(11.78)
Dividend income	(17.85)	(14.87)
Rental income on operating lease	(111.76)	(97.02)
Bad debts written off	-	19.94
Provision for doubtful trade receivables	23.72	12.02
Net unrealised foreign exchange loss	49.81	75.69
Operating profit before working capital changes	13,094.36	11,341.04
Changes in Working Capital		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	(2,192.28)	(1,119.21)
Trade Receivables	(79.77)	(1,601.63)
Short term Loans and advances	(867.83)	591.26
Long term Loans and advances	(222.16)	(635.87)
Other current assets excluding advance tax	(88.83)	169.96
Other Non- current assets	-	0.18
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade Payables	1,053.46	2,547.86
Other current Liabilities	2,049.44	234.42
Other non-current Liabilities	(149.06)	(51.98)
Cash generated from operations	12,597.31	11,476.03
Income tax paid	(1,863.49)	(1,524.32)
Net Cash from operating activities (A)	10,733.84	9,951.71
B. Cash flow from Investing activities		
Purchase of Fixed assets	(10,796.98)	(5,570.28)
Proceeds from sale of fixed assets	790.49	402.07
Purchase of Investments	(124.34)	(120.45)
Proceeds from sale of investments	-	-
Bank balances not considered as Cash and cash equivalents		
Fixed Deposit with banks matures more than 3 months	1.13	28.60
Dividend received		
from associates	5.43	1.93
from others	12.42	12.94
Interest received		
from subsidiaries	-	3.67
from others	37.81	8.11
Rental income on operating lease	111.76	97.02
Net cash outflow from Investing activities (B)	(9,962.28)	(5,136.39)

Cash Flow Statement for the year ended 31 March, 2015

PARTICULARS	31.03.2015 (₹ in Lakhs)	31.03.2014 (₹ in Lakhs)
C. Cash flow from financing Activities		
(Repayment)/Proceeds of Secured Loan	3,352.99	(2,953.10)
Proceeds/(Repayment) of Unsecured Loan	(1,101.50)	429.23
Interest paid	(1,713.72)	(1,691.03)
Dividend paid	(1,245.41)	(642.73)
Extra Ordinary Items		
Net cash used in financing activities (C)	(707.64)	(4,857.63)
Net increase in cash and cash equivalents (A) + (B) + (C)	63.92	(42.31)
Opening Balance	414.34	456.65
Closing Balance	478.26	414.34
Reconciliation of Cash and cash equivalent with the Balance Sheet		
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR comprises		
(a) Cash- on- Hand	46.02	26.61
(b) Cheque and Demand Drafts on Hand	-	2.20
(c) Balances with Banks		
(i) In Current Account	178.72	74.79
(ii) In Collection Account	241.52	298.31
(iii) In Deposit Account	12.00	12.43
	478.26	414.34

See accompanying notes forming part of the financial statements 1 - 28

“In terms of our report attached”

For **DELOITTE HASKINS & SELLS**
Chartered Accountants

C.R. RAJAGOPAL
Partner
Coimbatore
30.04.2015

For and on behalf of Board of Directors

B. VIJAYAKUMAR
Chairman cum Managing Director
DIN: 00015583

M. LAKSHMI KANTH JOSHI
General Manager cum Company Secretary

P. PRABAKARAN
Deputy Managing Director
DIN : 01709564

N. RENGARAJ
Chief Financial Officer

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
L. G. BALAKRISHNAN & BROS LIMITED
Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **L.G.BALAKRISHNAN & BROS LIMITED** (hereinafter referred to as “the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) its associate, comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

Management’s Responsibility for the Consolidated Financial Statements

The Holding Company’s Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as “the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and profits associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor’s Responsibility

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company’s preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company’s Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Other Matters

- (a) We did not audit the financial statements of BCW V Tech India Private Limited; subsidiary, whose financial statements reflect total assets (net) of ₹ 1524.25 Lakhs as at 31st March, 2015, (Previous year ended 31st March, 2014: ₹ 1487.20 Lakhs) total revenues of ₹ 1285.46 Lakhs (Previous year ended 31st March, 2014: ₹ 1027.30 Lakhs) and net cash flows amounting to ₹ (0.31) Lakhs for the year ended on that date (Previous year ended 31st March, 2014: ₹ (6.84) Lakhs), as considered in the consolidated financial statements. The financial statements have been audited by other auditor whose reports have been furnished to us by the Management and our opinion, in so far it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the reports of the other auditor.
- (b) We have relied on the unaudited financial statements of Three overseas subsidiaries whose financial statements reflect total assets (net) of ₹ 7409.91 Lakhs as at 31st March, 2015 (As at 31st March, 2014: ₹ 6,180.56 Lakhs), total revenue (net) of ₹ 11175.41 Lakhs (Previous year ended 31st March, 2014: ₹ 11047.02 Lakhs) and net cash flows amounting to ₹ (192.04) Lakhs (Previous year ended 31st March, 2014: ₹ (278.24) Lakhs) for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 58.04 Lakhs for the year ended 31st March, 2015, as considered in the consolidated financial statements, in respect of one associate (Previous year ended 31st March, 2014: ₹ 92.63 Lakhs of one associate). These unaudited financial statements as approved by the respective board of directors of these companies have been furnished to us by the Management and our report in so far relates as it relates to the amounts included in respect of these subsidiaries and associate is based solely on such approved unaudited financial statements.

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

done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies, incorporated in India, we give in the Annexure 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, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified 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 of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies,

incorporated in India is disqualified as on 31st March, 2015 from being appointed as a Director in terms of Section 164 (2) of the Act.

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

i. The consolidated financial statements disclose the impact of pending litigations on

the consolidated financial position of the Group, - Refer Note 25.1 to the consolidated financial statements.

ii. The Group, did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, incorporated in India.

Coimbatore
30.04.2015

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
Registration No.008072S
C.R. RAJAGOPAL
Membership No.23418
Partner

CONSOLIDATED BALANCE SHEET AS AT 31.03.2015

(₹ in Lakhs)

Particulars	Note No.	As at 31.03.2015	As at 31.03.2014
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	1,569.62	784.81
(b) Reserves and surplus	4	34,895.11	29,988.80
		36,464.73	30,773.61
2 Minority interest		1,279.03	965.69
3 Non-current liabilities			
(a) Long-term borrowings	5	9,930.54	6,598.94
(b) Deferred tax liabilities (net)	26.5	1,651.34	1,698.68
		11,581.88	8,297.62
4 Current liabilities			
(a) Short-term borrowings	6	5,813.93	6,350.29
(b) Trade payables	7	15,619.72	14,639.20
(c) Other current liabilities	8	9,089.98	7,218.75
(d) Short-term provisions	9	717.88	642.73
		31,241.51	28,850.97
TOTAL		80,567.15	68,887.89
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10.a	29,960.93	23,848.82
(ii) Intangible assets	10.b	325.79	310.11
(iii) Capital work-in-progress		3,653.94	904.03
(b) Goodwill on consolidation		1,185.20	1,312.69
(c) Non-current investments	11	1,760.39	1,703.34
(d) Long-term loans and advances	12	2,657.92	3,368.88
(e) Other non-current assets	13	45.35	47.71
		39,589.52	31,495.58
2 Current assets			
(a) Current investments		-	-
(b) Inventories	14	23,054.53	20,752.31
(c) Trade receivables	15	14,784.84	14,610.36
(d) Cash and cash equivalents	16	733.31	649.53
(e) Short-term loans and advances	17	2,280.59	1,344.59
(f) Other current assets	18	124.36	35.52
		40,977.63	37,392.31
TOTAL		80,567.15	68,887.89

See accompanying notes forming part of the financial statements 1-28

"In terms of our report attached"

 For **DELOITTE HASKINS & SELLS**
Chartered Accountants

C.R. RAJAGOPAL

Partner

Coimbatore

30.04.2015

For and on behalf of Board of Directors

B. VIJAYAKUMAR

Chairman cum Managing Director

DIN: 00015583

M. LAKSHMI KANTH JOSHI

General Manager cum Company Secretary

P. PRABAKARAN

Deputy Managing Director

DIN : 01709564

N. RENGARAJ

Chief Financial Officer

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2015		(₹ in Lakhs)	
Particulars	Note No.	For the Year ended 31.03.2015	For the Year ended 31.03.2014
A. CONTINUING OPERATIONS			
1 Revenue from operations(gross)	19	128,229.30	120,571.79
Less: Excise duty	19	10,931.12	9,715.53
Revenue from operations (net)		117,298.18	110,856.26
2 Other income	20	273.33	459.61
3 Total revenue (1+2)		117,571.51	111,315.87
4 Expenses:			
(a) Cost of materials consumed	21 a	50,390.79	47,741.26
(b) Purchases of stock-in-trade (Traded goods)	21 b	5,723.00	7,173.91
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21 c	(1,117.83)	(371.34)
(d) Employee benefits expense	22	14,982.32	13,395.19
(e) Finance costs	23	1,770.04	1,789.75
(f) Depreciation and amortisation expense	10 c	3,946.69	3,278.71
(g) Other expenses	24	33,146.07	30,303.65
Total Expenses		108,841.08	103,311.13
5 Profit/(Loss) before exceptional and extraordinary items and tax (3-4)		8,730.43	8,004.74
6 Exceptional items		660.80	-
7 Profit/(Loss) before extraordinary items and tax (5+6)		9,391.23	8,004.74
8 Extraordinary Items		-	-
9 Profit/(Loss) before tax (7-8)		9,391.23	8,004.74
10 Tax expense / (benefit):			
(a) Current tax/MAT tax expense		1,803.50	1,674.13
(b) Short / (Excess) provision of tax relating to prior years		240.56	-
(c) Net current tax expense		2,044.06	1,674.13
(d) MAT credit relating to prior year		-	(98.41)
(e) Deferred tax		4.77	(85.94)
Net tax expense / (benefit)		2,048.83	1,489.78
11 Profit/(Loss) for the year ended from continuing operations (9-10)		7,342.40	6,514.96

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2015		(₹ in Lakhs)	
Particulars	Note No.	For the Year ended 31.03.2015	For the Year ended 31.03.2014
B. DISCONTINUING OPERATIONS			
12. i	Profit/(Loss) for the year ended from discontinuing operations (before tax)	-	-
12. ii	Less:Tax expense of discontinuing operations	-	-
13	Profit/(Loss) from discontinuing operations (12.i - 12.ii)	-	-
C. TOTAL OPERATIONS			
14	Profit/(Loss) after tax before share of Profit / (Loss) of minority interest (11+13)	7,342.40	6,514.96
14.i	Share in Profit / (loss) of associates	58.04	92.63
15.	Profit /(loss) after tax before share of profit / (Loss) attributable to minority interest (14+14.i)	7,400.44	6,607.59
15.i	Less : Share of Profit / (Loss) attributable to minority interest	279.17	323.49
16	Profit /(Loss) for the year attributable to the shareholders of the Company (15+15.i)	7,121.27	6,284.10
17	Earnings per share (of ₹ 10/- each)		
	(a) Basic		
	(i) Continuing operations	26.4	40.04
	(ii) Total operations	26.4	40.04
	(b) Diluted		
	(i) Continuing operations	26.4	40.04
	(ii) Total operations	26.4	40.04

See accompanying notes forming part of the financial statements 1-28

“In terms of our report attached”

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

C.R. RAJAGOPAL

Partner

Coimbatore

30.04.2015

For and on behalf of Board of Directors

B. VIJAYAKUMAR

Chairman cum Managing Director

DIN: 00015583

M. LAKSHMI KANTH JOSHI

General Manager cum Company Secretary

P. PRABAKARAN

Deputy Managing Director

DIN : 01709564

N. RENGARAJ

Chief Financial Officer

Notes forming part of the Consolidated financial statements

Note: 1 Corporate Information

BCW V Tech India Private Limited is a Company established under the Flagship of L.G.Balakrishnan & Bros Limited in the year 2006. This Company is engaged in the manufacture of machined components and the same being used in the automobile sector. M /s.LGB-USA INC., a subsidiary of M/s.L.G.Balakrishnan & Bros Limited were established in the year 2012 which includes its fellow subsidiaries i.e GFM Acquisition LLC and GFM LLC. The main activity of GFM LLC (Operating Company) is manufacture of Precision Stamped Metal Parts which are used in the automobiles.

Note: 2 Significant accounting policies (consolidation)

2 (i) The consolidated financial statements of the Company and its subsidiaries (together the 'Group') have been prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention except for categories of fixed assets acquired before 1 April, 2014, that are carried at revalued amounts. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year except for change in the accounting policy for depreciation to comply with the requirement of the Companies Act, 2013

a) Principles of consolidation:

The consolidated financial statements relate to L.G.Balakrishnan & Bros Limited (the 'Company'), its subsidiary companies and the Group's share of profit / loss in its associates. The consolidated financial statements have been prepared on the following basis:

(i) The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the Company i.e., 31 March, 2015,

except for certain subsidiary companies as mentioned in (ix) below for which financial statements as on reporting date are not available. These have been consolidated based on latest available financial statements. . Necessary adjustments have been made, for the effects of significant transactions and other events between the reporting dates of the such financial statements and these consolidated financial statements.

(ii) The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions and resultant unrealized profits or losses, unless cost cannot be recovered have been fully eliminated.

(iii) The consolidated financial statements include the share of profit / loss of the associate companies which have been accounted for using equity method as per AS 23 Accounting for Investments in Associates in Consolidated Financial Statements. Accordingly, the share of profit/ loss of each of the associate companies (the loss being restricted to the cost of investment) has been added to / deducted from the cost of investments.

(iv) The excess of cost to the Group of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of

investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus', in the consolidated financial statements. The 'Goodwill' / 'Capital Reserve' is determined separately for each subsidiary company and such amounts are not set off between different entities.

- (v) In case of the foreign subsidiary, being non-integral operations, revenue items are consolidated at the average rate prevailing during the year. All the assets and liabilities are converted at the rate of prevailing at the year end. Any exchange difference arising on consolidation is recognized in the exchange fluctuation reserve.
- (vi) Minority interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further

movements in their share in the equity, subsequent to the dates of investments. Net profit/loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to the shareholders of the Company.

- (vii) The difference between the cost of investment in the subsidiary and the share of net assets at the time of acquisition of shares in the subsidiary is identified in the consolidated financial statements as Goodwill or Capital Reserve as the case may be.
- (viii) Goodwill arising on consolidation is not amortized but tested for impairment.
- (ix) The following subsidiary companies and associates have been considered in the preparation of consolidated financial statements:

Sl.	Name of Subsidiary	Relationship	Country of	Ownership	Reporting date statements used in consolidation	% of holding directly or indirectly through subsidiary as at	
						31.03.2015	31.12.2014
1.	M/s.BCW V TECH INDIA P LTD	Wholly owned Subsidiary	INDIA	L.G. Balakrishnan & Bros Ltd	31.03.2015	100%	100%
2.	LGB-USA, INC	Subsidiary	USA	L.G. Balakrishnan & Bros Ltd	31.12.2014	75.22%	74.19%
3.	RENOLD CHAIN INDIA PRIVATE LTD	Associate	India	RENOLD Holding Limited	31.03.2015	25%	25%

Notes forming part of the Consolidated financial statements

Particulars	As at 31.03.2015		As at 31.03.2014	
	Number of Shares	₹ in lakhs	Number of Shares	₹ in lakhs
3 SHARE CAPITAL				
(a) Authorised				
Equity Shares of ₹10/- each with voting rights	20,000,000	2,000.00	12,000,000	1,200.00
	20,000,000	2,000.00	12,000,000	1,200.00
(b) Issued				
Equity Shares of ₹10/- each with voting rights	15,696,208	1,569.62	7,848,104	784.81
	15,696,208	1,569.62	7,848,104	784.81
(c) Subscribed and fully paid-up				
Equity Shares of ₹10/- each with voting rights	15,696,208	1,569.62	7,848,104	784.81
Total	15,696,208	1,569.62	7,848,104	784.81

Notes:

3 (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Opening balance	Fresh Issue	Bonus/ ESOP	Conversion/ Buyback	Closing balance
Equity Shares with voting rights					
Year ended 31st March, 2015					
Number of shares	7,848,104	-	7,848,104	-	15,696,208
Amount (₹ in lakhs)	784.81	-	784.81	-	1,569.62
Year ended 31st March, 2014					
Number of shares	7,848,104	-	-	-	7,848,104
Amount (₹ in lakhs)	784.81	-	-	-	784.81

3 (ii) Details of shares held by each shareholder holding more than 5% shares

Name of the Shareholder	As at 31 March 2015		As at 31 March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares with voting rights				
B. Vijayakumar	2,507,000	15.97	1,170,000	14.91
V. Rajvirdhan	2,198,586	14.01	1,099,293	14.01
V. Rajsri	1,089,576	6.94	544,788	6.94
Reliance Capital Trustees Co. Ltd A/c. Reliance Small Cap Fund	921,336	5.87	410,000	5.22
LGB Educational Foundation	-	-	387,564	4.94

Notes forming part of the Consolidated financial statements

Particulars	As at 31.03.2015 ₹ in lakhs	As at 31.03.2014 ₹ in lakhs
4 RESERVES AND SURPLUS		
(a) Capital Reserve		
Opening balance	30.00	30.00
Add: Capital subsidy for investment in Pantnagar	-	-
Closing balance	30.00	30.00
(b) Securities premium account:		
Opening balance	3,100.61	3,100.61
Closing balance	3,100.61	3,100.61
(c) Revaluation reserve (Land)		
Opening balance	249.61	249.61
(On account of acquisition of M/s. L.G.B. Industries Ltd in 1998 -138.91)		
(On A/c. of revaluation of land held by BCW V Tech India (P) Ltd - 110.70)		
Closing balance	249.61	249.61
(d) General reserve		
Opening balance	22,288.71	18,500.00
Less : Utilised / transferred for issue of Bonus shares during the year	784.81	-
Less : Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of deferred tax) (Refer Note 29.1)	98.39	-
Less : Pursuant to consolidation of Associates	-	211.29
Add : Transfer from surplus in Statement of of Profit and Loss	4,883.20	4,000.00
Closing balance	26,288.71	22,288.71
(e) Foreign Currency Translation Reserve		
Opening balance	(34.91)	6.83
Add : Adjustment for translation of Non integral Foreign operations	(11.15)	(41.74)
Closing balance	(46.06)	(34.91)
(f) Surplus/(Deficit) in Statement of Profit and Loss		
Opening balance	4,354.78	3,172.51
Add : Profit/(Loss) for the year ended	7,121.26	6,284.09
Less: Interim Dividend	502.28	392.41
Dividend proposed to be distributed to Equity Shareholders (₹ 7.00 per Share ; Previous year ₹ 2.00 per Share)	596.46	549.37
Tax on Dividend	221.86	160.04
Transferred to: General reserve	4,883.20	4,000.00
Closing balance	5,272.24	4,354.78
Total	34,895.11	29,988.80

Notes forming part of the Consolidated financial statements

₹ in Lakhs

Particulars	As at 31.03.2015 ` in lakhs	As at 31.03.2014 ` in lakhs
5 LONG-TERM BORROWINGS		
(a) Term Loans		
From Banks		
Secured	9,126.82	5,325.75
From Other		
Secured	803.72	818.89
(b) Fixed Deposits:		
From other parties		
Unsecured	-	88.55
From related parties		
Unsecured	-	365.75
Total	9,930.54	6,598.94

Notes:

5 (i) Details of Security for Long Term Borrowings:

- Term Loans from banks are secured by hypothecation of Plant and Machineries and are collaterally secured by equitable mortgage by deposit of title deeds of immovable properties of Chakkan Plant and Jalna Plant.
- Interest rate relating to Term Loan from Banks is in the range of 9.70% to 11.75%
- The Term Loan from The National Huntington Bank is secured by substantially all assets of the Company and bears Interest rate @ 1 month Libor + 2.5%

5 (ii) Repayment schedule

(₹ in lakhs)

Particulars	As at 31.03.2015		As at 31.03.2014	
	Secured	Unsecured	Secured	Unsecured
(a) Term loan from banks:				
ICICI Bank	4,875.00	-	4,875.00	-
(Term of repayment : Repayable in 20 quarterly instalments of ` 375 Lakhs from July'14)				
Hongkong and Shanghai Banking Corporation Ltd	2,500.00	-	-	-
(Term of repayment : Repayable in 16 quarterly instalments of ` 156.25 Lakhs from May'16)				
HDFC Bank Ltd	888.89	-	-	-
(Term of repayment : Repayable in 18 quarterly instalments of ` 55.56 Lakhs from Dec'15)				
The Huntington National Bank	862.93	-	450.75	-
(Term of repayment : Repayable in 48 monthly instalments of \$8980 from Dec'13)				
The Huntington National Bank	803.72	-	818.89	-
(Term of repayment : Repayable in 60 monthly instalments of \$7393 from Dec'13)				
Total - Term loans from banks	9,930.54	-	6,144.65	-

Notes forming part of the Consolidated financial statements

Particulars	As at 31.03.2015 (₹ in lakhs)		As at 31.03.2014 (₹ in lakhs)	
	Secured	Unsecured	Secured	Unsecured
5 (ii) Repayment schedule (Contd.)				
(b) Fixed Deposits:				
From other parties		-		88.55
Total - deposits from others		-		88.55
From related parties				
M/s. Elgi Automotive Services (P) Limited		-		60.00
M/s. L.G.B. Auto Products (P) Limited		-		75.00
Minor. Samriddhi Andal Rajiv		-		141.00
Minor. Vidhur Narayanan Rajiv		-		88.00
Rolon Fine Blank Limited		-		1.75
Total - deposits from related parties		-		365.75
Total - Long-term borrowings	9,930.54	-	6,144.65	454.30

5 (iii) a. There was no default in the repayment of the loans and interest during the year

b. Interest rate relating to Fixed Deposits is in the range of 10.00% to 11.00%

Particulars	As at 31.03.2015 (₹ in lakhs)		As at 31.03.2014 (₹ in lakhs)	
	Secured	Unsecured	Secured	Unsecured
6 SHORT-TERM BORROWINGS				
(a) Loan repayable on demand				
From banks - Secured / Unsecured	3,793.18	-	3,185.29	1,000.00
(b) From Financial Institutions-Unsecured	-	-	-	1,000.00
(c) Loan from Directors - Unsecured	-	1,595.75	-	690.00
(d) Loan from Inter corporates-Unsecured	-	425.00	-	475.00
	3,793.18	2,020.75	3,185.29	3,165.00

Notes:

6 (i) Details of security for short-term borrowings:

a. Working capital loans from banks are primarily secured by hypothecation of inventories and book debts of the Company

b. Interest rate relating to Short Term borrowings from banks is in the range of 9.80% to 13.10%

Notes forming part of the Consolidated financial statements

Particulars	As at 31.03.2015 (₹ in lakhs)		As at 31.03.2014 (₹ in lakhs)	
	Secured	Unsecured	Secured	Unsecured
6 (i) Loan repayable on Demand				
From Banks				
Axis Bank Ltd	94.84		(7.12)	
Bank of Nova Scotia Corporation Bank	1,000.00		1,500.00	
HDFC Bank Ltd	(71.44)		256.82	
ICICI Bank Ltd	460.42		(258.29)	
IndusInd Bank Ltd	470.79		423.52	
IDBI Bank Ltd	(4.27)		(14.00)	
Union Bank of India	691.71		417.66	
The Huntington National Bank	(0.41)		(4.32)	
HSBC Ltd	651.54	-	871.02	-
	500.00	-	-	1,000.00
	<u>3,793.18</u>	-	<u>3,185.29</u>	<u>1,000.00</u>
Loan from financial institution				
M/s. Bajaj Finance Limited	-	-	-	1,000.00
Loan from Directors				
Mr. B. Vijayakumar		883.75		636.00
Mr. V. Rajvirdhan		201.00		6.00
Smt. V. Rajsri		511.00		48.00
Total - Loan from Directors		<u>1,595.75</u>		<u>690.00</u>
Loan from inter corporates				
M/s. Tribe Investments and Services (P) Ltd		70.00		70.00
M/s. L.G. Farm Products (P) Limited		20.00		20.00
M/s. Elgi Automotive Services (P) Limited		175.00		190.00
M/s. L.G.B. Auto Products (P) Limited		160.00		85.00
M/s. LG Sports Limited		-		25.00
M/s. Super Speeds (P) Limited		-		85.00
Total - Loan from inter corporates		<u>425.00</u>		<u>475.00</u>
Total - Short-term borrowings	3,793.18	2,020.75	3,185.29	3,165.00

6 (ii) There was no default in the repayment of the loans, borrowings and interest during the year

Particulars	As at 31.03.2015 ₹ in lakhs	As at 31.03.2014 ₹ in lakhs
7 TRADE PAYABLES		
(a) Other than acceptances	15,619.72	14,639.20
Total	<u>15,619.72</u>	<u>14,639.20</u>

Notes forming part of the Consolidated financial statements

Particulars	As at 31.03.2015 ₹ in lakhs	As at 31.03.2014 ₹ in lakhs
8 OTHER CURRENT LIABILITIES		
(a) Current maturities of long-term debt	1,983.94	2,084.09
(b) Interest accrued but not due on unsecured loans	16.75	9.90
(c) Interest accrued but not due on secured loans	-	88.69
(d) Unpaid bond interest	0.35	0.39
(e) Unclaimed Dividends	52.51	47.54
(f) Other payables:		
(i) Statutory remittances	1,071.46	708.16
(ii) Payable on purchase of fixed assets	2,464.71	318.12
(iii) Interest accrued on deposits from customers	29.46	28.09
(iv) Advance and deposits from customers etc.,	768.01	1,038.93
(v) Liability for expenses	2,702.79	2,894.84
Total	9,089.98	7,218.75

Note :

8 (i) Current maturities of Long-term debt:

Refer Note 5(i) for the details of Securities

ICICI Bank Ltd	1,500.00	1,125.00
HDFC Bank Ltd	111.11	-
Axis Bank Ltd	-	350.00
The Hungington National Bank	372.83	106.14
Term Loan From Banks - Secured	1,983.94	1,581.14
Fixed Deposits:		
From Related - Unsecured		
LG Farm Products Private Limited	-	40.00
Elgi Automotive Services Private Limited	-	20.00
LGB Rolon Chain Limited	-	5.00
Minor. Samridhhi Andal Rajiv	-	49.00
Minor Vidhur Narayanan Rajiv	-	82.00
Rajvirdhan V	-	40.00
Vijayakumar B	-	130.00
Rajsri V	-	40.00
Super Transports Private Limited	-	25.00
From others - Unsecured	-	71.95
Total - Current maturities of Long-term debt	1,983.94	2,084.09

8(ii) There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

9 SHORT TERM PROVISIONS		
(a) Provision - others:		
(i) Provision for proposed equity Dividend	596.46	549.37
(ii) Provision for tax on proposed equity Dividend	121.42	93.36
Total	717.88	642.73

Notes forming part of the financial statements										₹ in Lakhs			
10. FIXED ASSETS										NET BLOCK			
GROSS BLOCK					ACCUMULATED DEPRECIATION AND IMPAIRMENT					NET BLOCK			
Description of Assets	Balance as at 01.04.2014	Additions	Disposals	Other Adjustments	Balance as at 31.03.2015	Balance as at 01.04.2014	Depreciation/ amortisation expense for the year	Eliminated on Disposal of Assets	Transition adjustment recorded against General Reserve	Other Adjustments	Balance as at 31 March, 2015	Balance as at 31 March, 2015	Balance as at 31 March, 2014
A TANGIBLE ASSETS:													
(a) Land													
Free Hold	2175.97 (1595.47)	378.23 (580.50)	25.38 (-)	- (-)	2528.82 (2,175.97)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	2528.82 (2175.97)	2175.97 (1595.47)
Lease Hold	538.31 (202.78)	0.00 (335.53)	4.00 (-)	- (-)	534.31 (538.31)	17.92 (13.59)	5.73 (4.33)	0.03 (-)	- (-)	- (-)	23.62 (17.92)	510.69 (520.39)	520.39 (189.19)
(b) Buildings													
Own use	5819.40 (3541.05)	2985.31 (1792.75)	44.56 (40.45)	- (526.05)	8760.15 (5,819.40)	2117.81 (1743.80)	311.39 (266.00)	30.59 (13.42)	- (-)	- (121.43)	2398.61 (2117.81)	6361.54 (3701.59)	3701.59 (1797.25)
Given under operating Lease	7.39 (533.44)	- (-)	- (-)	- (526.05)	7.39 (7.39)	2.40 (123.57)	0.54 (0.26)	- (-)	- (-)	- (121.43)	2.94 (2.40)	4.45 (4.99)	4.99 (409.87)
(c) Plant and Equipment Owned													
Given under operating Lease	34036.79 (31362.07)	6169.48 (2871.21)	199.85 (175.87)	16.51 (20.62)	39989.91 (34,036.79)	17768.95 (15228.31)	3231.62 (2646.20)	141.50 (82.47)	126.90 (-)	- (23.09)	20985.97 (17,768.95)	19003.94 (16267.84)	16267.84 (16133.76)
(d) Furniture and Fixtures Owned													
Given under operating Lease	272.03 (261.93)	0.00 (28.33)	0.00 (38.85)	16.51 (20.62)	288.54 (272.03)	231.58 (205.84)	12.93 (12.58)	0.00 (9.93)	1.36 (-)	- (23.09)	245.87 (231.58)	42.67 (40.45)	40.45 (56.09)
(e) Vehicles Owned													
Owned	275.04 (258.38)	119.83 (50.47)	73.16 (33.81)	- (-)	324.71 (275.04)	198.35 (178.66)	34.33 (20.59)	0.54 (0.89)	- (-)	- (-)	98.85 (106.65)	222.86 (168.39)	168.39 (159.23)
(f) Office equipment Owned													
Owned	160.86 (135.68)	83.55 (29.03)	4.13 (3.85)	- (-)	240.28 (160.86)	52.70 (45.70)	32.43 (9.61)	3.50 (2.61)	9.09 (-)	- (-)	90.72 (52.70)	149.56 (108.16)	108.16 (89.98)
(g) Electrical Fittings Owned													
Owned	1344.40 (1311.61)	139.08 (34.21)	3.70 (1.42)	- (-)	1479.78 (1,344.40)	885.77 (776.47)	77.81 (110.55)	1.43 (1.25)	- (-)	- (-)	962.15 (885.77)	517.63 (458.63)	458.63 (535.14)
(h) Other Assets Owned													
Owned	1217.58 (1099.16)	329.20 (129.53)	16.30 (11.11)	- (-)	1530.48 (1,217.58)	897.95 (813.24)	125.70 (97.94)	17.86 (13.23)	9.66 (-)	- (-)	1015.46 (897.95)	515.02 (319.63)	319.63 (285.92)
Total	46128.91	10259.99	371.64	-	56017.26	22280.09	3863.45	234.21	147.01	-	26056.34	29960.93	23848.82
Previous Year	(40559.50)	(5875.87)	(306.46)	(-)	(46128.91)	(19728.33)	(3192.60)	(140.84)	(-)	(-)	(22280.09)	(23848.82)	(21331.17)

Notes forming part of the consolidated financial statements

₹ in Lakhs

Description of Assets	GROSS BLOCK					ACCUMULATED DEPRECIATION AND IMPAIRMENT					NET BLOCK			
	Balance as at 01.04.2014	Additions	Disposals	Other Adjustments	Balance as at 31.03.2015	Balance as at 01.04.2014	Depreciation/ amortisation expense for the year	Eliminated on Disposal of Assets	Transition adjustment recorded against General Reserve	Other Adjustments	Balance as at 31 March, 2015	Balance as at 31 March, 2014		
B. INTANGIBLE ASSETS:														
(a) Computer - Software	483.28 (454.03)	52.64 (29.25)	- (-)	- (-)	535.92 (483.28)	412.12 (368.85)	38.77 (43.27)	- (-)	- (-)	- (-)	85.03 (71.16)	71.16 (85.18)		
(b) Technical Know-How	687.80 (629.51)	46.28 (58.29)	- (-)	- (-)	734.08 (687.80)	448.85 (406.01)	44.47 (42.84)	- (-)	- (0.00)	- (-)	240.76 (238.95)	238.95 (223.50)		
Total	1171.08 (1,083.54)	98.92 (87.54)	- -	- (-)	1,270.00 (1,171.08)	860.97 (774.86)	83.24 (86.11)	- (-)	- (-)	- (-)	325.79 (310.11)	310.11 (308.68)		
Previous Year														
C) Depreciation and amortisation relating to continuing operations:														
Particulars											(Rs. In Lakhs)			
											For the year ended 31.03.2015		For the year ended 31.03.2014	
Depreciation and amortisation for the year on tangible assets as per note 10 A											3,863.45		3,192.60	
Depreciation and amortisation for the year on intangible assets as per note 10 B											83.24		86.11	
Total											3,946.69		3,278.71	
Notes:														
(i) Details of revaluation of assets during the preceding 5 years														
Particulars	For the year ended 31 March, 2015		For the year ended 31 March, 2014		For the year ended 31 March, 2013		For the year ended 31 March, 2012		For the year ended 31 March, 2011					
Land:														
Opening balance	110.70		110.70		110.70		-		-		-			
Added on revaluation	-		-		-		110.70		110.70		-			
Closing balance	110.70		110.70		110.70		110.70		110.70		-			

Notes forming part of the financial statements

11. NON-CURRENT INVESTMENT

(₹ in lakhs)

Particulars	As at 31st March 2015				As at 31st March 2014			
	Number of Shares	Quoted	Un Quoted	Total	Number of Shares	Quoted	Un Quoted	Total
Investments (At Cost)								
A) Trade								
(a) Investment in Equity instruments:								
(i) Associate:								
Renold Chain India Private Limited	10250000		964.38	964.38	10250000		906.34	906.34
(ii) Others:								
Supreme Rubber Reclaimers Ltd	50	0.01		0.01	50	0.01		0.01
Bharath Rubber Regenerating Co. Ltd	200	-		-	200	-		-
Elgi Equipments Ltd	1229706	112.50		112.50	1229706	112.50		112.50
LGB Forge Limited	29000000	612.88		612.88	29000000	612.88		612.88
Silent Chain India (P) Limited	770		0.15	0.15	770		0.15	0.15
LG Farm Products (P) Ltd	10000		1.00	1.00	10000		1.00	1.00
Rolon Fine Blank Limited			-	-	5000		0.50	0.50
LGB Rolon Chains Limited			-	-	5000		0.50	0.50
South West Engineering India Limited	537		65.52	65.52	537		65.52	65.52
B. Non-trade								
(a) Investment in Equity instruments:								
(i) Others:								
Super Spinning Mills Ltd	10000	0.01		0.01	10000	0.01		0.01
Tube Investments of India Ltd	1100	0.01		0.01	1100	0.01		0.01
Corporation Bank	2400	1.92		1.92	2400	1.92		1.92
Tata Refractory Ltd	5000		2.01	2.01	5000		2.01	2.01
Manish Commercial Premises								
Co-operative Society Ltd, Mumbai	5		-	-	5		-	-
Kaveri Steels Ltd	100		-	-	100		-	-
		727.33	1,033.06	1,760.39		727.33	976.02	1,703.34

(₹ in lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Aggregate amount of quoted investments	727.33	727.33
Aggregate market value of the listed and quoted investments	3,636.89	1,706.72
Aggregate value of listed but not quoted investments	-	-
Aggregate value of unquoted investments	1,033.06	976.02

Presentation in Profit/Loss account

Share in profit of Associates 5,803,750

Note 11 Non-current investments (contd.)

Note: Investment in associates

No	Name of associate	Country of Incorporation	Ownership Interest (%) (Rs. In Lakhs)	Original cost of Investment	Amount of Goodwill / (Capital reserve) in original cost (Rs. In Lakhs)	Share of post acquisition Reserves and Surplus	Carrying amount of Investments
1	Renold Chain India Pvt Ltd	India	25%	1,025.00	-	(60.62)	964.38

Notes forming part of the Consolidated financial statements

Particulars	As at 31.03.2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)
12 LONG-TERM LOANS AND ADVANCES		
(a) Capital advance		
Unsecured, considered good	1,071.69	1,556.93
(b) Security and other deposits	497.17	698.90
Unsecured, considered good		
(c) Loans and advances to employees		
Unsecured, considered good	-	0.12
(d) Advance income-tax (net of provision ₹ 6182.67 Lakhs) (As at 31.03.2014 ₹ 6049.48)		
Unsecured, considered good	252.30	356.29
(e) Mat credit entitlement	383.86	333.18
Unsecured, considered good		
(f) Other loans and advances		
(i) Advance recoverable		
Unsecured, considered good	121.19	124.22
Unsecured, considered doubtful	-	-
Less: provision for other loans and doubtful advances	-	-
(ii) Rent and other advances		
Unsecured, considered good	331.71	299.24
Total	2,657.92	3,368.88

13 OTHER NON-CURRENT ASSETS		
(a) Unamortised expenses		
(i) Ancillary Borrowing cost	7.52	9.88
(ii) Income and Claim Receivable	37.83	37.83
Total	45.35	47.71

14 INVENTORIES		
(At Lower of cost and net realisable value)		
(a) Raw Materials	5,140.15	4,408.23
(b) Work-in-progress (Refer Note (i))	8,239.30	7,614.61
(c) Finished products (Refer Note (ii))	5,281.53	4,512.54
(d) Stock-in-trade (acquired for trading)	787.88	1,127.07
Goods in Transit	300.21	236.88
(e) Others		
(i) Packing materials	286.68	273.09
(ii) Stores & spares	1,765.32	1,572.38
(iii) Loose tools	1,249.11	1,007.51
(iv) Agricultural produce	4.35	-
Total	23,054.53	20,752.31

Notes forming part of the Consolidated financial statements

Particulars	As at 31.03.2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)
14 INVENTORIES (CONTD.)		
Notes:		
14(i) Details of inventory of work-in-progress		
Transmission	5,390.65	4,849.47
Metal forming	1,772.44	1,683.81
Others	1,076.21	1,081.33
Total	8,239.30	7,614.61
(ii) Details of inventory of (Finished goods)		
Transmission	4,116.63	3,693.02
Metal forming	940.28	659.60
Others	224.62	159.92
Total	5,281.53	4,512.54

15 TRADE RECEIVABLE		
(a) Trade Receivable outstanding for a period exceeding six months from the date they were due for payment		
(i) Unsecured, considered good	102.73	54.36
(ii) Unsecured, considered doubtful	85.35	92.26
Less: Provision for doubtful trade receivables	85.35	92.26
-	-	-
(b) Other Trade receivable		
(i) Unsecured, considered good	14,682.11	14,556.00
(ii) doubtful	61.47	40.21
Less: Provision for doubtful trade receivables	61.47	40.21
-	-	-
Total	14,784.84	14,610.36
Note:		
15(i) Trade Receivable include debt due from		
Private companies in which any Director is a Director:		
LGB Fuel Systems (P) Limited	-	0.04
Super Speeds (P) Limited	-	0.10
Silent Chain India (P) Limited	0.11	0.11
Renold Chain India (P) Limited	206.24	323.27
Total	206.35	323.52

Notes forming part of the Consolidated financial statements

Particulars	As at 31.03.2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)
16 CASH AND CASH EQUIVALENTS		
A. Cash and Cash Equivalents (As per AS 3 Cash Flow Statements)		
(a) Cash- on- Hand	46.31	26.70
(b) Cheque and Demand Drafts on Hand	-	2.20
(c) Balances with Banks		
(i) In Current Account	334.54	209.82
(ii) In Collection Account	241.52	298.31
(iii) In Deposit Account	12.00	12.43
	634.37	549.46
B. Others		
(a) In Fixed Deposits	46.08	51.27
(b) In Margin money with Banks	-	0.87
(c) In Earmarked Accounts		
(i) Unpaid Dividend Account	52.51	47.54
(ii) Unpaid Interest Account	0.35	0.39
Total	98.94	100.07
Total Cash and Cash Equivalents (A+B)	733.31	649.53

Notes:

- (i) Balances with banks include deposits with remaining maturity of more than 12 months from the Balance Sheet date

17 SHORT-TERM LOANS AND ADVANCES		
(a) Loans and advances to employees		
Unsecured and considered good	46.25	49.76
(b) Prepaid expenses		
Unsecured and considered good	212.48	48.47
(c) Balance with govt authorities:		
(i) Cenvat credit receivable	927.85	441.95
(ii) Vat credit receivable	365.80	229.01
(iii) Service tax credit receivable	246.20	347.87
(d) Advance recoverable	481.82	227.16
Unsecured and considered Good		
(e) Miscellaneous Expenditure to extent not written off	0.19	0.37
Total	2,280.59	1,344.59

18 OTHER CURRENT ASSETS		
(a) Others		
(i) Income and claims receivable	120.05	31.99
(ii) Interest accrued on Deposits	4.31	3.53
Total	124.36	35.52

Notes forming part of the Consolidated financial statements

Particulars	Year ended 31.03.2015 (₹ in lakhs)	Year ended 31.03.2014 (₹ in lakhs)
19 REVENUE FROM OPERATIONS		
a) Sale of products (Refer Note (i) below)	121,007.23	113,542.86
b) Sale of services (Refer Note (ii) below)	390.17	161.36
c) Other operating revenue (Refer Note (iii) below)	6,831.90	6,867.57
Revenue from Operations (Gross)	128,229.30	120,571.79
Less: Excise duty	10,931.12	9,715.53
Total	117,298.18	110,856.26
Note:		
(i) Sale of products		
Manufactured goods:		
Transmission	84,213.64	76,675.32
Metal Forming	18,755.96	16,436.06
Others	13,109.58	12,455.26
Total - sale of manufactured goods	116,079.18	105,566.64
Traded goods:		
Light commercial vehicles	4,928.05	7,976.22
Total - Sale of traded goods	4,928.05	7,976.22
Total - Sale of products	121,007.23	113,542.86
(ii) Sale of services:		
Service income on vehicles	390.17	161.36
Total - Sale of services	390.17	161.36
(iii) Other operating revenue:		
Scrap sales	6,716.38	6,730.08
Duty drawback and other export incentives	115.52	137.49
Total - other operating revenue	6,831.90	6,867.57
Total	128,229.30	120,571.79

20 OTHER INCOME		
a) Interest income (Refer Note (i) below)	37.81	11.93
b) Dividend income: from long-term investments		
(i) Associates	-	-
(ii) Others	17.85	14.86
c) Net gain of foreign currency transaction and translation	54.49	-
c) Other non-operating income		
(i) Rental and lease income	98.80	82.46
(ii) Agricultural income	10.89	10.20
(iii) Profit on sale of assets (net)	670.28	340.16
(iv) Miscellaneous receipts	44.01	-
Total	934.13	459.61

Notes forming part of the Consolidated financial statements

Particulars	Year ended 31.03.2015 (₹ in lakhs)	Year ended 31.03.2014 (₹ in lakhs)
Note : (i) Interest Income		
Interest on fixed deposit with banks	7.81	-
Interest on deposit with TNEB	30.00	-
Interest on inter corporate deposit	-	11.93
Total - Interest income	37.81	11.93

ii) Profit on sale of assets includes exceptional item - Profit on sale of Land and Building - Rs.660.80 Lakhs

21a COST OF MATERIALS CONSUMED		
Opening Stock:	4,681.33	4,310.37
Add: Purchases	51,136.30	48,112.22
Less: Closing Stock	5,426.84	4,681.33
Cost of material consumed	50,390.79	47,741.26
Material consumed comprises:		
Steel Strips, Wires, rods, bars	32,975.19	30,177.84
Blanks, 'O' Rings and others	13,930.68	14,763.36
Rubber and Chemicals	453.20	283.14
Packing Materials	3,031.72	2,516.92
Total	50,390.79	47,741.26

21b PURCHASE OF TRADED GOODS		
Purchase of light commercial vehicle	5,723.00	7,173.91
Total	5,723.00	7,173.91

21c CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Inventories at the end of the year ended		
Finished goods	5,281.53	4,512.54
Work-in-progress	8,239.30	7,614.61
Stock-in-trade	1,088.09	1,363.95
	14,608.92	13,491.10
Inventories at the beginning of the year ended		
Finished goods	4,512.54	4,157.12
Work-in-progress	7,614.60	6,658.66
Stock-in-trade	1,363.95	2,303.97
	13,491.09	13,119.75
Net (increase)/ decrease	(1,117.83)	(371.34)

22 EMPLOYEE BENEFITS EXPENSES		
(a) Salaries and wages	13,070.75	11,541.31
(b) Contribution to provident and other funds	972.06	1,064.91
(c) Staff welfare expenses	939.51	788.97
Total	14,982.32	13,395.19

Notes forming part of the Consolidated financial statements		
Particulars	Year ended 31.03.2015 (₹ in lakhs)	Year ended 31.03.2014 (₹ in lakhs)
23 FINANCE COST		
(a) Interest expenses:		
(i) On borrowings:	1,530.87	1,499.16
(b) Other borrowing cost	239.17	290.59
Total	1,770.04	1,789.75
24 OTHER EXPENSES		
(a) Consumption of stores and spare parts	8,667.89	7,169.55
(b) Processing charges	6,647.72	6,030.26
(c) Power, fuel and lighting	4,543.07	4,294.25
(d) Rent including lease rentals	659.43	733.34
(e) Repairs & maintenance of		
(i) Buildings	237.41	219.48
(ii) Machinery	1,911.19	1,648.60
(iii) Other assets	847.72	805.53
(f) Insurance	340.13	346.52
(g) Rates and taxes	187.34	176.91
(h) Travelling and conveyance	839.80	739.27
(i) Printing and stationery	86.86	76.01
(j) Postage, telegram and telephones	202.43	175.51
(k) Freight, packing & forwarding	3,998.54	3,626.77
(l) Advertisement, publicity and selling expenses	481.63	753.14
(m) Trade discount	1,936.85	2,235.67
(n) Donations	2.50	7.50
(o) Expenditure on Corporate Social Responsibility	116.41	-
(p) Legal and professional charges	205.90	297.46
(p) Payment to auditors (Refer note (i) below)	16.89	15.38
(q) Bad debts written off	-	19.94
(r) Assets condemned & written off	19.93	15.68
(s) Provision for doubtful debts / advances	23.72	12.02
(t) Loss on foreign currency transactions and translation	122.79	216.99
(u) Sales-tax, entry tax & octroi	217.09	128.30
(v) Sitting fees	6.60	5.85
(w) Watch and Ward	516.85	440.37
(x) Agricultural expenses	7.40	16.11
(y) Loss on sale of assets	-	-
(z) Miscellaneous expenses	301.79	97.06
(aa) Preliminary expenses written off	0.19	0.19
	33,146.07	30,303.65
Note		
(i) Payment to auditors comprises		
(a) To Statutory Auditors :		
For statutory audit	9.89	9.38
For taxation matters	3.00	2.50
For taxation matters	2.50	2.00
(b) To cost auditors for cost audit	1.50	1.50
Total	16.89	15.38

Notes forming part of the Consolidated financial statements

Particulars	As at 31.03.2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)
25 ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENT		
25.1 Contingent liabilities and commitments (to the extent not provided for)		
(i) Contingent liabilities:		
(a) Claims against the Company, not acknowledged as debt - disputed tax liability. (Refer note below)		
i. Central Excise	624.28	538.80
ii. Entry Tax	408.36	408.36
iii. Service tax	10.02	21.41
iv. VAT / CST	454.39	289.81
	<u>1,496.99</u>	<u>1,258.38</u>
(b) Guarantee given by Bankers and outstanding	38.36	85.88
(c) Corporate guarantee given for others	4,450.00	5,750.00
(d) Estimated customs duty obligation on imports, if corresponding export obligation is not satisfied.	1,784.97	1,522.94

Note : Future Cash outflows in respect of the above matters are determinable only on receipt of Judgements/decisions pending at various forums / authorities.

(ii) Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for - Tangible assets	7,886.59	6,701.99
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25.2 Other notes forming part of accounts

These are set at in and under schedules and notes forming part of the accounts for the year ended 31.03.2015 as given in unconsolidated statements of L.G. Balakrishnan & Bros Limited and its subsidiaries.

26.1 Employee benefit plans
Defined Contribution plans

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 530.20 Lakhs (Year ended 31 March, 2014 ₹ 395.46 Lakhs) for Provident Fund contributions and ₹ 8.49 Lakhs (Year ended 31 March, 2014 ₹ 7.60 Lakhs) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

State plans:

The Company makes ESI contributions to Employees State Insurance Scheme. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 161.96 Lakhs (Year ended 31 March, 2014 ₹ 158.84 Lakhs) in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Scheme.

Notes forming part of the Consolidated financial statements

26.2. Related party transActions : (As identified by the Management and relied upon by Auditors)

A. Name of related parties and nature of relationship where control exists are as under:

i) Enterprise over which the Company may exercise significant influence

Elgi Automotive Services (P) Limited	LGB Fuel Systems Private Limited
L.G.B. Auto Products (P) Limited	LGB Forge Limited
LG Farm Products (P) Limited	Rolon Fine Blank Limited
L.G. Balakrishnan & Bros - Karur	LGB Rolon Chain Limited
LG Sports Limited	Tribe Investments and Services Private Limited
Super Speeds Private Limited	South Western Engineering India Limited
Super Transports Private Limited	Silent Chain India Private Limited

ii) Key Management Personnel

a. Sri. B. Vijayakumar, Chairman & Managing Director	b. Sri. P. Prabakaran, Deputy Managing Director
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iii) Relatives of Key Management Personnel

Relatives of Sri. B. Vijayakumar	Relatives of Sri. P. Prabakaran
Wife : Smt. Vijayashree V.	Father : Sri. K. Palanichamy
Sons : Sri. V. Rajvirdhan	Mother : Smt. Rajalakshmi
Sri. Nithin Karivardhan	Wife : Smt. D. Maheswari
Sri. Arjun Karivardhan	Son : Sri. P. Suryakumar
Daughter : Smt. V. Rajsri	
Daughter's Husband : Sri. Rajiv Parthasarathy	
Daughter's daughter : Minor. Samriddhi Andal Rajiv	
Daughter's Son : Minor.Vidhur Narayanan Rajiv	

Notes forming part of the Consolidated financial statements

₹ in Lakhs

Nature of transactions	Associates / Others	Key Managerial Personnel	Relatives of Key Managerial Personnel	Total
Managerial Remuneration				
B. Vijayakumar	-	233.63	-	233.63
	-	(197.33)	-	(199.33)
P. Prabakaran	-	58.03	-	58.03
	-	(54.05)	-	(54.05)
Loan Receipts (Borrowings)	135.00	1305.00	1086.00	2526.00
	(1090.00)	(788.00)	(530.00)	(2408.00)
Loan Repayment (Borrowings)	185.00	1057.25	428.00	1670.25
	(937.00)	(777.00)	(732.00)	(2446.00)
Interest Expenses	39.19	55.41	37.09	131.69
	(57.63)	(33.10)	(34.48)	(125.21)
Dividend Receipts	0.59	-	-	0.59
	(1.93)	(-)	(-)	(1.93)
Dividend Payments	89.11	167.97	220.31	477.39
	(73.85)	(78.57)	(118.18)	(270.60)
Rent Income	76.67	-	-	76.67
	(46.75)	(-)	(-)	(46.75)
Rent / Lease Expenses	11.76	-	-	11.76
	(108.32)	(-)	(-)	(108.32)
Purchase of Materials, Spares & power	663.68	-	-	663.68
	(312.01)	(-)	(-)	(312.01)
Processing/Conversion Cgs Payment	45.35	-	-	45.35
	(282.13)	(-)	(-)	(282.13)
Sale of Materials, Stores and Service Charges	192.58	-	-	192.58
	(69.41)	(-)	(-)	(69.41)
Processing charges Receipts	58.35	-	-	58.35
	(17.23)	(-)	(-)	(17.23)
Sale of Fixed Assets	10.87	-	-	10.87
	(9.29)	(-)	(-)	(9.29)
Purchase of Fixed Assets	336.21	-	-	336.21
	(452.83)	(-)	(-)	(452.83)
Balance outstanding at the end of the year				
Receivable balance	12.89	-	-	12.89
	(13.95)	(-)	(-)	(13.95)
Payable balance	14.68	-	-	14.68
	(16.51)	(-)	(-)	(16.51)
Unsecured borrowings balance	425.00	883.75	712.00	2020.75
	(455.00)	(186.00)	(54.00)	(695.00)

Note : None of the balances due to or receivable from related parties have been adjusted for written-off during this period.

Notes forming part of the Consolidated financial statements

Particulars	As at 31.03.2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)
Loan receipts:		
Associates/Others:		
Key Managerial Personnel:		
Sri.B.Vijayakumar	1,305.00	1,238.00
Relatives of Key Managerial Personnel:		
Sri.V.Rajvirdhan	410.00	326.00
Loan repayment:		
Key Managerial Personnel:		
Sri.B.Vijayakumar	1,057.25	777.00
Relatives of Key Managerial Personnel:		
Smt.V.Rajsri		
Sri.V.Rajvirdhan	215.00	336.00
Interest expense:		
Associates/Others:		
Elgi Automotive Services Private Limited	14.85	24.48
Key Managerial Personnel:		
Sri.B.Vijayakumar	109.41	49.90
Relatives of Key Managerial Personnel:		
Sri.V.Rajvirdhan	15.61	9.08
Dividend payment:		
Associates/Others:		
L.G.B.Auto Products Private Limited	50.92	26.60
Key Managerial Personnel:		
Sri.B.Vijayakumar	167.97	78.57
Relatives of Key Managerial Personnel:		
Sri.V.Rajvirdhan	74.49	
Smt.V.Rajsri	73.00	36.13
Purchase of Fixed Assets:		
Associates/Others:		
LGB Forge Limited	324.02	1432.38
Rent income		
Associates/Others:		
LGB Forge Limited	49.03	36.26
Rent /Lease payment		
Associates/Others:		
South Western Engineering India Limited	11.76	-
Purchase of material, spares & power		
Associates/Others:		
LGB Forge Limited	282.07	-
L.G.Balakrishnan & Bros, Karur	174.69	241.19
South Western Engineering India Limited	167.26	-
Processing/conversion charges payment		
Associates/Others:		
Silent Chain India (P) Limited	44.50	46.43
Processing receipts		
Associates/Others:		
LGB Forge Limited	57.03	16.89

Notes forming part of the Consolidated financial statements

Particulars	As at 31.03.2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)
26.3. SEGMENT REPORTING		
Primary Segment Information		
(Business Segments):		
A. Segment Revenue:		
Transmission	79,977.88	72,950.08
Metal Forming	18,459.69	16,594.93
Others	18,860.61	21,311.25
Total	117,298.18	110,856.26
B. Segment Results:		
Transmission	7,784.70	7,392.82
Metal Forming	2,329.15	1,531.59
Others	386.62	870.08
Total	10,500.47	9,794.49
Interest Expenses	1,770.04	1,789.75
Unallocated corporate expenses, net of unallocated income	660.80	-
Profit before tax	9,391.23	8,004.74
Provision for taxation	2,048.83	1,489.78
Profit after tax	7,342.40	6,514.96

C. Other Information:

Particulars	As at 31 March, 2015		For the year ended 31 March, 2015		
	Segment Assets	Segment Liabilities	Capital Expenditure	Depreciation	Non-cash expenditure excluding depreciation
Transmission	39956.08	14827.80	8159.65	1690.82	30.35
	(31203.77)	(11999.89)	(3781.12)	(1264.91)	(3.57)
Metal Forming	20865.41	3881.11	702.12	1669.80	33.53
	(19665.66)	(4164.38)	(912.44)	(1385.10)	(31.89)
Others	17732.99	4734.74	1497.14	586.07	6.61
	(15958.82)	(4252.32)	(1269.86)	(628.70)	(2.67)
Unallocated	2012.68	20659.79	-	-	-
	(3815.24)	(14089.44)	(-)	(-)	(-)

Note: Components of business segments are as under:

Transmission	Chains & Sprockets
Metal Forming	Fine Blanking, Machining and Wire drawing products
Others	Trading Goods

Secondary Segment Information (Geographical Segment)

Notes forming part of the Consolidated financial statements

Particulars	As at 31.03.2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)
A. Secondary Segment Information (Geographical Segment)		
1) Segment Revenue:		
Within India	95,054.34	89,837.47
Outside India	22,243.84	21,018.79
Total	117,298.18	110,856.26
2) Segment Assets:		
Within India	68,308.28	63,940.87
Outside India	10,246.20	2,887.38
Total	78,554.48	66,828.25
3) Capital Expenditure:		
Within India	10,358.91	5,015.53
Outside India	-	947.89
Total Capital Expenditure	10,358.91	5,963.42
26.4 Earnings per share		
Basic & Diluted:		
Continuing operations:		
Net profit after tax from continuing operations - (₹ in lakhs)	7,121.27	6,284.10
Profit attributable to Equity Shareholders - (₹ in lakhs) (A)	7,121.27	6,284.10
Total number of Equity Shares outstanding at Balance Sheet date.	15,696,208	15,696,208
Weighted average number of Equity Shares outstanding, considered for the purpose of computing Basic EPS (B)	15,696,208	15,696,208
Nominal value of Equity Shares - in ₹	10	10
Basic and Diluted Earnings Per Share-in ₹ (A/B)	45.37	40.04

26.5 DEFERRED TAX LIABILITY		
Tax effect of items constituting deferred tax liability:		
On difference between book balance and tax balance of fixed assets	1,651.34	1,698.68

27. The financial statement of foreign subsidiary have been prepared in accordance with generally accepted accounting principal of its country of incorporation. The difference in accounting policy of the Company and its subsidiaries are not material. The material transaction from 1st January, 2015 to 31st March, 2015 have been adjusted in the financial statement for the year ended 31st December, 2014.

28. Previous year figures have been regrouped and reclassified, wherever necessary, to correspond with the current year's classification/disclosure.

“In terms of our report attached”
 For **DELOITTE HASKINS & SELLS**
 Chartered Accountants
C.R. RAJAGOPAL
 Partner
 Coimbatore
 30.04.2015

For and on behalf of Board of Directors

B. VIJAYAKUMAR Chairman cum Managing Director	P. PRABAKARAN Deputy Managing Director
M. LAKSHMI KANTH JOSHI General Manager cum Company Secretary	N. RENGARAJ Chief Financial Officer

Consolidated Cash Flow Statement for the year ended 31 March, 2015

PARTICULARS	31.03.2015 (₹ in Lakhs)	31.03.2014 (₹ in Lakhs)
A. Cash flow from operating activities		
Net Profit before Tax and Extra ordinary items	9,391.23	8,004.74
Adjustments for		
Depreciation	3,946.69	3,278.71
Asset Condemned and written off	19.93	15.68
(Profit) or Loss on sale of assets	(670.28)	(340.16)
(Profit) or Loss on sale of investments	-	-
Finance charges	1,770.04	1,789.75
Interest income	(37.81)	(11.93)
Dividend income	(17.85)	(14.87)
Rental income on operating lease	(98.80)	(82.46)
Bad debts written off	-	19.94
Provision for doubtful trade receivables	23.72	12.02
Preliminary expenses	0.19	0.19
Net unrealised foreign exchange loss	49.81	75.69
Operating profit before working capital changes	14,376.87	12,747.29
Changes in Working Capital		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	(2,302.22)	(1,151.20)
Trade Receivables	(261.79)	(2,297.06)
Short term Loans and advances	(936.19)	424.23
Long term Loans and advances	172.39	(1,252.09)
Other current assets excluding advance tax	(88.07)	176.45
Other Non- current assets	2.36	1.24
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade Payables	994.31	2,707.74
Other current Liabilities	2,053.17	11.96
Other non-current Liabilities	(147.62)	(85.94)
Cash generated from operations	13,863.21	11,282.62
Income tax paid	(1,990.75)	(1,702.51)
Net Cash from operating activities (A)	11,872.46	9,580.11
B. Cash flow from Investing activities		
Purchase of Fixed assets	(12,349.07)	(6,687.28)
Proceeds from sale of fixed assets	793.18	479.31
Sale of Investments	1.00	46.00
Proceeds from sale of investments	-	-
Bank balances not considered as Cash and cash equivalents		
Fixed Deposit with banks matures more than 3 months	1.13	28.60
Dividend received		
from associates	5.43	1.93
from others	12.42	12.94
Interest received		
from others	37.03	11.93
Rental income on operating lease	98.80	82.46
Net cash outflow from Investing activities (B)	(11,400.08)	(6,024.11)

Consolidated Cash Flow Statement for the year ended 31 March, 2015

PARTICULARS	31.03.2015 (₹ in Lakhs)	31.03.2014 (₹ in Lakhs)
C. Cash flow from financing activities		
(Repayment)/Proceeds of Secured Loan	3,796.60	(1,929.89)
Proceeds/(Repayment) of Unsecured Loan	(1,101.50)	503.25
Proceeds from Share of Associates	-	-
Proceeds from Repayment from Share Capital to Minority Shareholders	14.76	(48.30)
Interest paid	(1,851.92)	(1,789.75)
Dividend paid	(1,245.41)	(642.73)
Extra Ordinary Items	-	-
Net cash used in financing activities (C)	(387.48)	(3907.42)
Net increase in cash and cash equivalents (A) + (B) + (C)	84.90	(351.40)
Opening Balance	549.46	900.86
Closing Balance *	634.36	549.46
Reconciliation of Cash and cash equivalent with the Balance Sheet		
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
comprises		
(a) Cash- on- Hand	46.31	26.70
(b) Cheque and Demand Drafts on Hand	-	2.20
(c) Balances with Banks		
(i) In Current Account	334.54	209.82
(ii) In Collection Account	241.52	298.31
(iii) In Deposit Account	12.00	12.43
	634.36	549.46

"In terms of our report attached"

 For **DELOITTE HASKINS & SELLS**
Chartered Accountants

C.R. RAJAGOPAL

 Partner
Coimbatore
30.04.2015

For and on behalf of Board of Directors
B. VIJAYAKUMAR

 Chairman cum Managing Director
DIN: 00015583

M. LAKSHMI KANTH JOSHI

General Manager cum Company Secretary

P. PRABAKARAN

 Deputy Managing Director
DIN : 01709564

N. RENGARAJ

Chief Financial Officer

Information regarding Subsidiary Companies

Statement pursuant to general exemption received under Section 129(3) of the Companies Act, 2013 relating to Subsidiary Companies
Figures in Lakhs

1.	Name of the Subsidiary Company		BCW V Tech India Private Limited	LGB USA INC & its Subsidiaries
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period		01.04.2014 to 31.03.2015	01.01.2014 to 31.12.2014
3	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries		INR	USD
4	Share Capital	Foreign Currency Indian Currency	499.99	32.90 1,885.86
5	Reserves & surplus	Foreign Currency Indian Currency	225.62	25.36 1,629.96
6	Total Liabilities	Foreign Currency Indian Currency	856.36	62.50 3,894.09
7	Total Assets	Foreign Currency Indian Currency	1,581.97	120.76 7,409.91
8	Investments		NIL	NIL
9	Turnover and other income	Foreign Currency Indian Currency	1355.24	183.18 11,179.42
10	Profit before Taxation	Foreign Currency Indian Currency	70.81	13.43 843.34
11	Provision for Taxation	Foreign Currency Indian Currency	11.34	Nil Nil
12	Profit after Taxation	Foreign Currency Indian Currency	59.47	13.43 843.34
13	Proposed Dividend	Foreign Currency Indian Currency	Nil	NIL Nil
14	% of share holding		100	75.22

* LGB USA INC. figures presented along with Subsidiaries

Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statement to Schedule III to the Companies Act, 2013.

Name of the entity	Net assets, ie., total assets minus total liabilities		Shares of profit or loss	
	As % of consolidated net assets	Amount ₹ in lakhs	As % of consolidated net assets	Amount ₹ in lakhs
L.G. Balakrishnan & Bros Limited	93%	35,034	85%	6.033
Subsidiaries				
Indian :				
BCW V Tech Private Limited	1%	214	1%	59.00
Foreign :				
LGB USA INC.*	3%	1,217	11%	750.00
Minority interest in all Subsidiaries				
LGB USA INC	3%	1,279	4%	279.00
Associates (Investment as per the Equity method)				
Indian				
Renold Chain India Private Limited	-	-	1%	58.00
Total	100%	37,744	101%	7,121.00

* LGB USA INC. figures presented along with Subsidiaries

ATTENDANCE SLIP

L.G. BALAKRISHNAN & BROS LIMITED

CIN : L29191TZ1956PLC000257

Regd. Office: 6/16/13, Krishnarayapuram Road, Ganapathy, Coimbatore- 641 006.

Email: info@lgb.co.in, Website: www.lgb.co.in

Phone: 0422 2532325, Fax: 0422 2532333

59th ANNUAL GENERAL MEETING

DP ID	Folio No.
Client ID	No. of Shares
Name of the Member	
Name of the Proxy	

I hereby record my presence at the 59th **ANNUAL GENERAL MEETING** of the Company held on **Thursday, September 10th, 2015 at 10.30 A.M.** at Ardra Convention Centre, Kaanchan, 9, North Huzur Road, Coimbatore - 641 018

Member's / Proxy's Signature

Note:

1. Please complete the Folio / DP ID - Client ID No. and name, sign this Attendance Slip and handover at the Attendance Verification Counter at THE MEETING HALL
2. Electronic copy of the Annual Report for FY 2014-15 and the Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of the Annual Report for 2014-15 and the Notice of the Annual General Meeting along with the Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email is not registered or who have requested for a hard copy.



E-VOTING PARTICULARS

EVSN (Electronic Voting Sequence Number)	USED ID	PASSWORD*
150725001	Folio No. / Client ID	PAN Number / Bank Account No / Date of Birth

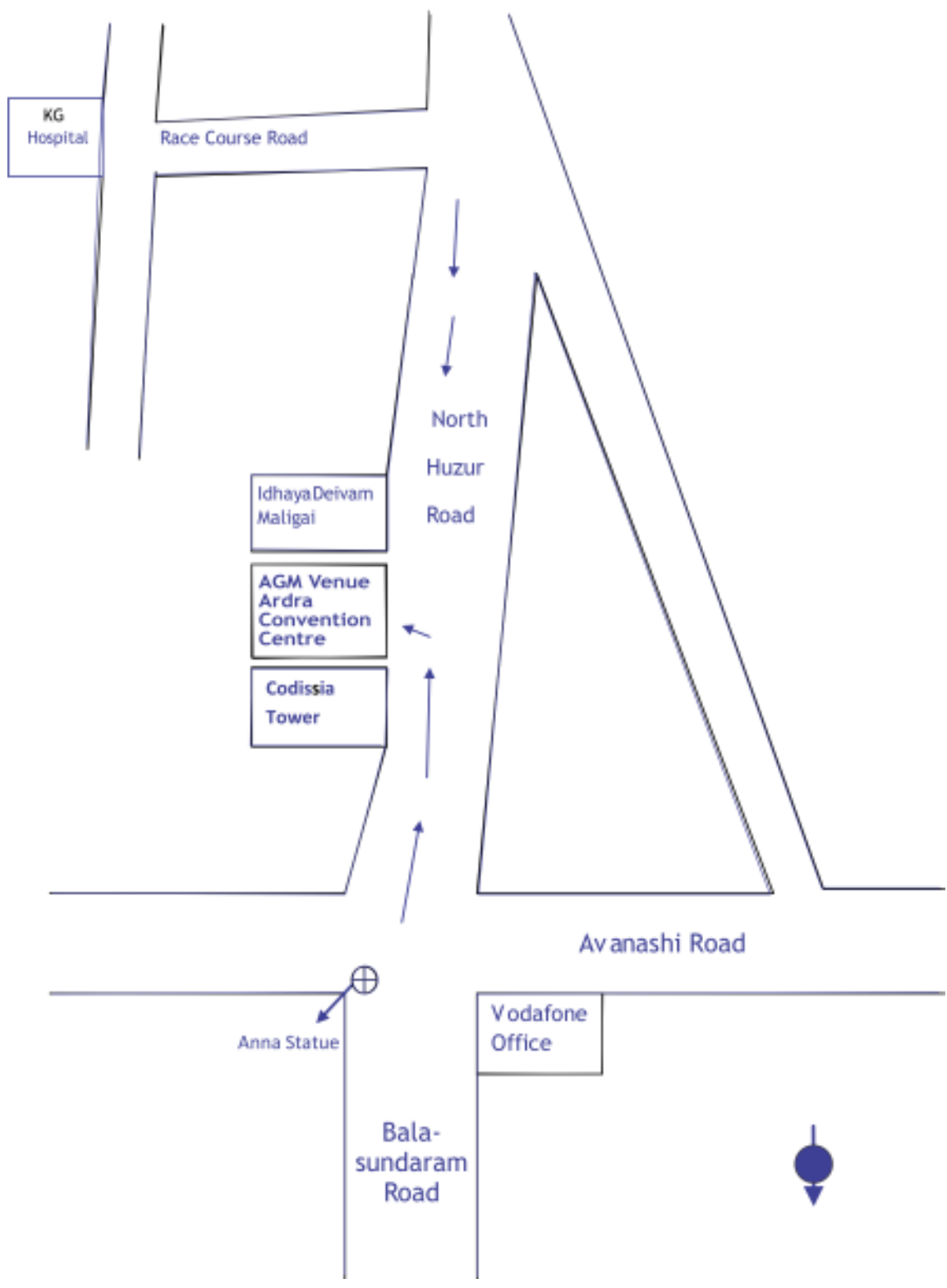
* Physical Shareholders who does not have PAN should enter No. of Shares they hold as their password if they prefer to exercise e-voting.

The e-voting facility will be available during the following voting period:

Commencement of e-voting	End of e-voting
Monday, 7th September, 2015 (from 9.00 A.M)	Wednesday, 9th September, 2015 (upto 5.00 P.M)

Note : Please refer the details and instructions form integral part of the Notice for the Annual General Meeting.

Route map of AGM Venue



PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

L.G. BALAKRISHNAN & BROS LIMITED

CIN : L29191TZ1956PLC000257

Regd. Office: 6/16/13, Krishnarayapuram Road, Ganapathy, Coimbatore- 641 006.

Email: info@lgb.co.in, Website: www.lgb.co.in

Phone: 0422 2532325, Fax: 0422 2532333

**59th ANNUAL GENERAL MEETING
10th September, 2015**

Name of the member(s):

Registered address:

E-mail ID:

Folio No/Client ID:

DP ID:

I/We being the member(s) of _____ shares of L.G. Balakrishnan & Bros Limited, hereby appoint:

1) Name:..... Address.....

Email ID.....Signature.....or failing him;

2) Name:..... Address.....

Email ID.....Signature.....or failing him;

3) Name:..... Address.....

Email ID.....Signature.....or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 59th Annual General Meeting of the Company, to be held on **Thursday, September 10, 2015 at 10.30 A.M** at Ardra Convention Centre, Kaanchan, 9, North Huzur Road, Coimbatore - 641 018, and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

P.T.O.

S.No	Resolutions
Ordinary Business	
1	To receive, consider and adopt the Audited Financial Statements of the Company along with Consolidated Financial Statements for the financial year ended 31st March, 2015 together with the Reports of the Board of Directors and Auditors thereon.
2	To confirm the Interim Dividend already paid and declare Final Dividend on the Equity Shares for the financial year ended 31 st March, 2015.
3	To appoint a Director in place of Smt. V. Rajsri (DIN 00018244), who retires by rotation and being eligible, seeks re-appointment.
4	To appoint a Director in place of Sri.P.Prabakaran (DIN 01709564), who retires by rotation and being eligible, seeks re-appointment.
5	Appointment of Statutory Auditor
Special Business	
6	Re appointment of Chairman cum Managing Director
7	Acceptance of Fixed Deposits
8	Appointment of Cost Auditor
9	To consider and approve Related Party Transaction(s) Under Section 188 of the Companies Act, 2013.

Signed this day of 2015

Affix Revenue Stamp not less than ₹ 0.15
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Signature of Shareholder

Notes

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting
2. For the resolutions, explanatory statements and Notes, please refer to the Notice of 59th Annual General Meeting

To

The General Manager cum Company Secretary
L.G. Balakrishnan & Bros Limited
6/16/13, Krishnarayapuram Road, Coimbatore- 641 006.
Phone No. 0422 - 3911212

Mandate for payment of Dividend (Physical Shareholders Only)
FORM FOR NATIONAL ELECTRONIC CLEARING SERVICE FOR PAYMENT OF DIVIDEND

1. Particulars of the shareholder

- a) Regd. Folio No. :
- b) Name of the first Regd. Holder (in block letters) :

2. Particulars of the Bank

- a) Name of the Bank :
- b) Address of the Branch :
- c) Account No. (As appearing in the cheque book) :

- d) Account Type (Savings Account, Current Account or Cash Credit) :

Please Tick relevant box

SAVINGS	CURRENT	CASH CREDIT
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- e) Nine Digit code number of the bank and branch appearing on the MICR cheque issued by the bank (Please attach a photocopy of a cheque for verifying the accuracy of the code number)
- IFSC code of the Bank

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DECLARATION

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effective at all for reasons of incomplete or incorrect information, I would not hold the Company responsible.

(Signature of the first Regd. holder)

(Signature of the second holder)

Place : Name :

Date : Address :

.....Pincode

Phone :

Email:.....

Note : Please send this form to the address mentioned above, if shares are held in physical form.



To (Your Depository Participant)

Cameo Corporate Services Limited
"Subramanian Building"
No.1, Club House Road, Chennai- 600 002.
Phone No. 044 - 28460390

**FORM FOR NATIONAL ELECTRONIC CLEARING SERVICE FOR PAYMENT OF DIVIDEND
(NECS)**

1. Particulars of the shareholder
- a) Name of the first/ Sole Share Holder (in block letters) :
 - b) DP ID & Client ID Nos. :
2. Particulars of the Bank
- a) Name of the Bank :
 - b) Address of the Branch :
 - c) Account No. (As appearing in the cheque book) :
 - d) Account Type (Savings Account, Current Account or Cash Credit) :

Please Tick relevant box		
SAVINGS	CURRENT	CASH CREDIT
 - e) Nine Digit code number of the bank and branch appearing on the MICR cheque issued by the bank (Please attach a photocopy of a cheque for verifying the accuracy of the code number) IFSC code of the Bank

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DECLARATION

I hereby declare that the particulars given above are correct and complete. I undertake to inform any subsequent changes in the above particulars before the relevant book closure date(s). If the payment transaction is delayed or not effected at all for any reason(s), beyond the control of the Company, I would not hold the Company responsible.

(Signature of the First (regd.) holder)

Place : _____
Date : _____
Phone :
Email:.....

Note : Please send this form to your Depository participant.



If Undelivered Please Return to :



L.G. BALAKRISHNAN & BROS LIMITED

Registered Office : 6/16/13, Krishnarayapuram Road,
Ganapathy, Coimbatore - 641 006, India.

Tel : 0422 - 2532325, Fax : 0422 - 2532333

CIN : L29191TZ1956PLC000257

E-Mail : info@lgb.co.in Web site : www.lgb.co.in