



L.G. BALAKRISHNAN & BROS LIMITED

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	National Stock Exchange of India Limited "Exchange Plaza" Bandra Kurla Complex Bandra (E) Mumbai - 400 051
Scrip Code: 500250	Scrip Code: LGBBROSLTD

LGB/SEC/STK-BM-2020

26.10.2020

Dear Sirs,

Sub: Standalone & Consolidated Audited Financial Results for the quarter / half year ended 30th September, 2020.

Ref: Compliance of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

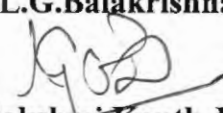
Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are forwarding herewith the Standalone & Consolidated audited financial results for the quarter / half year ended 30th September, 2020 along with Auditors Report which was reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on today through video Conferencing i.e. the 26th October, 2020.

This is to inform that the Board meeting commenced at 3.30 P.M and concluded at 5.45 P.M.

Kindly take the same on record

Thanking You,

Yours faithfully,
For L.G.Balakrishnan & Bros Limited


M.Lakshmi Kanth Joshi
General Manager (Legal) and Company Secretary

STATEMENT OF STANDALONE/CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER/HALF-YEAR ENDED 30-09-2020

(Rs. In Lakhs)

Sl. No.	Particulars	Quarter ended			Half-year ended		Year ended	Quarter ended			Half-year ended		Year ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		Standalone						Consolidated					
1	Revenue from operations	40,838.13	17,256.25	38,813.88	58,094.38	72,774.49	1,44,427.22	41,701.03	19,462.52	41,196.64	61,163.55	77,979.96	1,54,282.79
2	Other Income	152.75	39.89	45.67	192.64	127.64	366.46	152.75	39.89	45.67	192.64	127.64	366.46
3	Total Revenue (1) + (2)	40,990.88	17,296.14	38,859.55	58,287.02	72,902.13	1,44,793.68	41,853.78	19,502.41	41,242.31	61,356.19	78,107.60	1,54,649.25
4	Expenses												
	(a) Cost of materials consumed	17,010.77	5,424.29	16,958.09	22,435.06	31,618.73	63,952.17	18,561.87	6,630.62	18,037.59	25,192.49	34,632.20	69,720.62
	(b) Purchases of stock-in-trade	-	-	-	-	-	-	-	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2,211.39	3,669.67	837.36	5,881.06	2,046.69	822.81	2,429.97	3,358.35	969.05	5,788.32	1,748.08	814.84
	(d) Employee benefits expense	5,594.20	3,082.32	6,025.14	8,676.52	11,553.50	23,873.00	5,969.49	3,696.73	6,620.00	9,666.22	12,798.25	25,951.80
	(e) Finance costs	256.05	263.77	388.57	519.82	790.11	1,408.51	277.95	291.52	416.96	569.47	845.27	1,524.08
	(f) Depreciation and amortisation expense	1,945.45	1,911.31	1,814.82	3,856.76	3,529.03	7,418.28	2,096.50	2,048.33	1,919.75	4,144.83	3,741.58	7,865.69
	(g) Other expenses	8,824.71	3,745.99	9,442.79	12,570.70	18,048.52	37,188.37	8,898.51	4,334.13	9,892.00	13,232.64	19,123.95	39,170.94
	(h) Total expenses (a) to (h)	35,842.57	18,097.35	35,466.77	53,939.92	67,586.58	1,34,663.14	38,234.29	20,359.68	37,855.35	58,593.97	72,889.33	1,45,047.98
5	Profit/(Loss) before exceptional and extraordinary items and tax (3 - 4)	5,148.31	(801.21)	3,392.78	4,347.10	5,315.55	10,130.54	3,619.49	(857.27)	3,386.96	2,762.22	5,218.27	9,601.27
6	Exceptional Items (Refer Note.4)	455.65	47.56	516.90	503.21	746.65	2,524.45	455.65	47.56	516.90	503.21	746.65	1,882.51
7	Profit/(Loss) before extraordinary items and tax (5 + 6)	5,603.96	(753.65)	3,909.68	4,850.31	6,062.20	12,654.99	4,075.14	(809.71)	3,903.86	3,265.43	5,964.92	11,483.78
8	Extraordinary Items	-	-	-	-	-	-	-	-	-	-	-	-
9	Profit/(Loss) before tax (7 + 8)	5,603.96	(753.65)	3,909.68	4,850.31	6,062.20	12,654.99	4,075.14	(809.71)	3,903.86	3,265.43	5,964.92	11,483.78
10	Tax expense												
	(a) Current tax	1,456.97	-	861.28	1,456.97	1,608.36	3,147.18	1,456.97	-	861.28	1,456.97	1,608.36	3,147.18
	(b) Deferred tax	(98.78)	(200.63)	(553.53)	(299.41)	(591.78)	(675.64)	(98.78)	(200.63)	(553.53)	(299.41)	(591.78)	(675.64)
11	Net Profit/(Loss) for the period (9 - 10)	4,245.77	(553.02)	3,601.93	3,692.75	5,045.62	10,183.45	2,716.95	(609.08)	3,596.11	2,107.87	4,948.34	9,012.24
12	Share of profit of associate	-	-	-	-	-	-	-	-	49.75	-	109.83	116.00
13	Net Profit/(Loss) after taxes and share of profit of associate (11 + 12)	4,245.77	(553.02)	3,601.93	3,692.75	5,045.62	10,183.45	2,716.95	(609.08)	3,645.86	2,107.87	5,058.17	9,128.24
	Net profit/(Loss) attributable to:												
	(a) Owners	-	-	-	-	-	-	2,781.93	(606.70)	3,647.29	2,175.23	5,082.03	9,163.31
	(b) Non Controlling interest	-	-	-	-	-	-	(64.98)	(2.38)	(1.43)	(67.36)	(23.86)	(35.07)
14	Other comprehensive Income, net of Income-tax												
	(a) Items that will not be reclassified to Profit or Loss	(310.28)	798.47	33.86	488.19	646.72	(1,924.75)	(310.28)	798.47	33.86	488.19	646.72	(1,924.75)
	(b) Items that will be reclassified to Profit or Loss	-	-	-	-	-	-	-	-	-	-	-	-
	Total other comprehensive income, net of income-tax	(310.28)	798.47	33.86	488.19	646.72	(1,924.75)	(310.28)	798.47	33.86	488.19	646.72	(1,924.75)
15	Total comprehensive income for the period (13 + 14)	3,935.49	245.45	3,635.80	4,180.94	5,692.34	8,258.70	2,406.67	189.39	3,679.72	2,596.06	5,704.89	7,203.49



Sl. No.	Particulars	Quarter ended			Half-year ended		Year ended	Quarter ended			Half-year ended		Year ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
Standalone							Consolidated						
	Total comprehensive income attributable to:												
	(a) Owners	-	-	-	-	-	-	2,471.65	191.77	3,681.15	2,663.42	5,728.75	7,238.56
	(b) Non Controlling interest	-	-	-	-	-	-	(64.98)	(2.38)	(1.43)	(67.36)	(23.86)	(35.07)
16	Paid up Equity Share Capital [Face Value Rs.10/-]	3,139.24	3,139.24	3,139.24	3,139.24	3,139.24	3,139.24	3,139.24	3,139.24	3,139.24	3,139.24	3,139.24	3,139.24
17	Reserves (excluding Revaluation Reserves as shown in the Audited Balance Sheet of the previous year)						60,437.22						63,458.59
18	Earnings per equity share (Rs.)												
	(i) Basic	13.52*	-1.76*	11.47*	11.76*	16.07*	32.44	8.86*	-1.93*	11.62*	6.93*	16.19*	29.19
	(ii) Diluted	13.52*	-1.76*	11.47*	11.76*	16.07*	32.44	8.86*	-1.93*	11.62*	6.93*	16.19*	29.19
	* not annualised												
	See accompanying notes to the Financial Results												

SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES UNDER REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Sl. No.	Particulars	Quarter ended			Half-year ended		Year ended	Quarter ended			Half-year ended		Year ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
Standalone							Consolidated						
1	Segment Revenue												
	(Net Sale/Income from operations)												
	a) Transmission	35,372.63	14,832.88	32,562.03	50,205.51	59,291.69	1,18,835.75	35,372.63	14,832.88	32,562.03	50,205.51	59,291.69	1,18,835.75
	b) Metal Forming	5,465.50	2,423.37	6,251.85	7,888.87	13,482.80	25,591.47	6,328.40	4,629.64	8,634.61	10,958.04	18,688.27	35,447.04
	Total	40,838.13	17,256.25	38,813.88	58,094.38	72,774.49	1,44,427.22	41,701.03	19,462.52	41,196.64	61,163.55	77,979.96	1,54,282.79
	Less: Inter segment revenue	-	-	-	-	-	-	-	-	-	-	-	-
	Net Sales/Income from operations	40,838.13	17,256.25	38,813.88	58,094.38	72,774.49	1,44,427.22	41,701.03	19,462.52	41,196.64	61,163.55	77,979.96	1,54,282.79
2	Segment Results												
	(Profit/(Loss) before tax and interest)												
	a) Transmission	4,961.87	256.27	3,717.14	5,218.14	5,444.61	10,083.33	4,961.87	256.27	3,717.14	5,218.14	5,444.61	10,558.33
	b) Metal Forming	631.86	(696.00)	201.48	(64.14)	902.76	2,054.85	(875.05)	(724.31)	224.05	(1,599.37)	860.64	999.21
	Total	5,593.73	(439.73)	3,918.62	5,154.00	6,347.37	12,138.18	4,086.83	(468.04)	3,941.19	3,618.78	6,305.25	11,557.54
	Less: (i) Interest	256.05	263.77	388.57	519.82	790.11	1,408.51	277.95	291.52	416.96	569.47	845.27	1,524.08
	(ii) Other unallocable (income) / expenditure (net)	(266.28)	50.15	(379.63)	(216.13)	(504.94)	(1,925.32)	(266.28)	50.15	(379.63)	(216.13)	(504.94)	(1,450.32)
	Total Profit/(Loss) Before Tax	5,603.96	(753.65)	3,909.68	4,850.31	6,062.20	12,654.99	4,075.16	(809.71)	3,903.86	3,265.44	5,964.92	11,483.78

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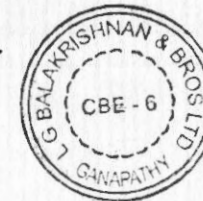


Sl. No.	Particulars	Quarter ended			Half-year ended		Year ended	Quarter ended			Half-year ended		Year ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		Standalone						Consolidated					
3	Segment Assets												
	a) Transmission	78,674.92	62,443.34	70,659.40	78,674.92	70,659.40	67,949.05	78,674.92	62,443.34	70,659.40	78,674.92	70,659.40	67,949.05
	b) Metal Forming	23,182.82	22,646.58	26,874.37	23,182.82	26,874.37	26,068.14	31,384.27	32,913.03	35,316.74	31,384.27	35,316.74	35,502.13
	c) Unallocated	12,499.52	13,368.08	14,476.18	12,499.52	14,476.18	12,256.38	9,362.05	10,450.98	13,677.74	9,362.05	13,677.74	9,710.44
	Total	1,14,357.26	98,458.00	1,12,009.94	1,14,357.26	1,12,009.94	1,06,273.57	1,19,421.24	1,05,807.35	1,19,653.88	1,19,421.24	1,19,653.88	1,13,161.62
4	Segment Liabilities												
	a) Transmission	23,823.84	14,981.43	23,599.57	23,823.84	23,599.57	19,992.24	23,823.84	14,981.43	23,599.57	23,823.84	23,599.57	19,992.24
	b) Metal Forming	6,662.79	3,388.98	6,203.70	6,662.79	6,203.70	6,602.34	9,170.48	6,656.61	7,912.71	9,170.48	7,912.71	9,427.60
	c) Unallocated	11,639.07	11,791.51	14,830.13	11,639.07	14,830.13	11,628.36	13,210.28	13,450.57	17,722.69	13,210.28	17,722.69	13,128.03
	Total	42,125.69	30,161.92	44,633.40	42,125.69	44,633.40	38,222.94	46,204.59	35,088.61	49,234.97	46,204.59	49,234.97	42,547.87
5	Capital Employed												
	a) Transmission	54,851.08	47,461.91	47,059.83	54,851.08	47,059.83	47,956.81	54,851.08	47,461.91	47,059.83	54,851.08	47,059.83	47,956.81
	b) Metal Forming	16,520.03	19,257.60	20,670.67	16,520.03	20,670.67	19,465.80	22,213.79	26,256.42	27,404.03	22,213.79	27,404.03	26,074.53
	c) Unallocated	860.45	1,576.57	(353.96)	860.45	(353.96)	628.02	(3,848.23)	(2,999.59)	(4,044.95)	(3,848.23)	(4,044.95)	(3,417.59)
	Total	72,231.57	68,296.08	67,376.54	72,231.57	67,376.54	68,050.63	73,216.65	70,718.74	70,418.91	73,216.65	70,418.91	70,613.75

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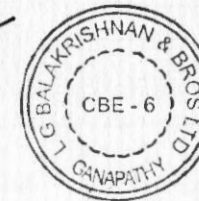


	As at		As at	
	30.09.2020	31.03.2020	30.09.2020	31.03.2020
	Standalone		Consolidated	
A ASSETS				
1 Non-current assets				
Property, Plant and Equipments	49,380.53	51,375.11	53,097.52	55,370.75
Capital work-in-progress	911.22	759.96	1,051.68	889.25
Investment Property	1,108.09	47.37	1,108.09	47.37
Goodwill on amalgamation	0.00	0.00	1,567.83	1,479.40
Intangible assets	174.13	213.83	174.13	213.83
Right of use Asset	1,227.52	1,356.67	1,227.52	1,356.67
Financial assets				
(i) Investments	5,529.78	4,616.62	2,272.64	1,957.78
(ii) Other financial assets	1,441.70	1,337.53	1,441.70	1,337.53
Other non-current assets	895.04	768.19	895.04	768.19
	60,668.01	60,475.28	62,836.15	63,420.77
2 Current assets				
Inventories	20,216.83	26,912.88	21,861.32	28,969.01
Financial assets				
(i) Trade receivables	18,887.64	15,833.44	19,738.82	17,460.60
(ii) Cash and cash equivalents	14,337.76	239.02	14,598.66	342.67
(iii) Other bank balances	348.45	158.89	348.45	158.89
(iv) Other financial assets	96.18	67.26	96.18	67.24
Current tax Asset(Net)	380.68	964.34	500.34	1,077.25
Other current assets	393.51	552.28	413.12	595.00
	54,661.05	44,728.11	57,556.89	48,670.67
3 Asset held for Sale	8.55	1,070.18	8.55	1,070.18
Total Assets	1,15,337.61	1,06,273.57	1,20,401.59	1,13,161.63



Rs. in Lakhs

	As at		As at	
	30.09.2020	31.03.2020	30.09.2020	31.03.2020
	Standalone		Consolidated	
B EQUITY AND LIABILITIES				
1 Equity				
Share capital	3,139.24	3,139.24	3,139.24	3,139.24
Other Equity	69,092.33	64,911.39	70,077.40	67,474.51
Equity Attributable to Owners of the Company	72,231.57	68,050.63	73,216.64	70,613.75
Non-controlling interest	-	-	185.31	404.14
Total Equity	72,231.57	68,050.63	73,401.95	71,017.89
2 Liabilities				
Non-current liabilities				
Financial Liabilities				
(i) Borrowings	5,964.99	6,960.49	7,350.89	8,056.03
(ii) Other financial liabilities	1,367.60	1,455.92	1,367.60	1,455.92
Provisions	1,259.27	1,325.06	1,259.27	1,325.06
Deferred tax liabilities	1,001.25	1,244.80	1,001.25	1,244.80
Total Non-current Liabilities	9,593.11	10,986.27	10,979.01	12,081.81
3 Current liabilities				
Financial Liabilities				
(i) Borrowings	2,400.91	1,130.55	2,400.91	1,130.55
(ii) Trade payables	26,396.00	22,264.19	28,749.63	24,718.41
(iii) Other financial liabilities	2,781.68	3,015.12	2,935.75	3,386.14
Provision	69.69	45.73	69.69	45.73
Other current liabilities	1,864.65	781.09	1,864.65	781.09
Total Current Liabilities	33,512.93	27,236.68	36,020.63	30,061.92
Total Liabilities	1,15,337.61	1,06,273.57	1,20,401.59	1,13,161.62



Particulars	For the half-year ended 30 September, 2020	For the year ended 31 March, 2020
A. Cash flow from operating activities		
Net Profit before Tax	4,850.31	12,654.99
Adjustments for:		
Depreciation	3,856.76	7,418.28
Provision for Doubtful Debts	(105.40)	(9.54)
Profit/Loss on sale of assets	(169.17)	(1,710.30)
Profit/Loss on Sale of Investment	(35.64)	(475.00)
Assets condemned/Written off	35.31	46.52
Interest and Finance Charges	519.82	1,408.51
Interest Income	(112.57)	(99.17)
Dividend Income	(0.03)	(36.98)
	3,989.08	6,542.32
Operating profit before working capital changes	8,839.39	19,197.31
Changes in Working Capital		
Provisions - Non Current	156.13	253.54
Other Financial Assets - Non Current	(104.17)	(154.69)
Other Non Current Assets	(126.85)	1,392.05
Inventories	6,696.05	2,041.93
Trade Receivables	(2,948.81)	4,898.37
Other Financial Assets - Current	(28.93)	2.78
Other Current Assets	158.77	(53.41)
Trade Payables	4,131.83	(1,879.82)
Other financial liabilities	(199.90)	(817.75)
Current Liabilities	1,083.56	(1,071.71)
Provisions - Current	23.96	8.03
	8,841.65	4,619.32
Cash generated from operations	17,681.04	23,816.63
Income tax paid, net of refunds received	(873.31)	(3,296.26)
Net Cash generated from operating activities (A)	16,807.73	20,520.37
B. Cash flow from Investing activities		
Capital expenditure, including capital advances	(1,888.67)	(8,403.66)
Investment in Foreign subsidiary	(598.29)	(1,115.45)
Proceeds from sale of fixed assets	178.85	1,821.53
Proceeds from sale of Investments	42.90	1,500.00
Bank Balances not considered as cash and cash equivalents	(189.56)	(55.67)
Dividend income	0.03	36.98
Interest Income	112.57	99.17
Net cash used in Investing activities (B)	(2,342.17)	(6,117.10)



Particulars	For the half-year ended 30 September, 2020	For the year ended 31 March, 2020
C. Cash flow from financing activities		
Interest and Finance Charges	(457.95)	(1,271.23)
Dividend Paid including Tax	(12.94)	(3,758.56)
Lease Liability	(150.19)	(296.33)
Borrowings - Current and Non-current (Net)	254.26	(9,657.79)
Net cash used in financing activities (C)	(366.82)	(14,983.91)
Net (decrease)/increase in cash and cash equivalents (A) + (B) + (C)	14,098.74	(580.64)
Cash and Cash Equivalents at the beginning of the year	239.02	819.66
Cash and Cash Equivalents at the end of the year	14,337.76	239.02

Statement of Consolidated Cashflow for the half-year ended 30 September, 2020

Rs. in Lakhs

Particulars	For the half year ended 30 September,2020	For the year ended 31 March,2020
A. Cash flow from operating activities		
Net Profit before Tax	3,265.43	11,483.78
Adjustments for:		
Depreciation	4,144.83	7,865.69
Provision for Doubtful Debts	(105.40)	(9.54)
Profit/Loss on sale of assets	(168.55)	(1,708.66)
Profit/Loss on Sale of Investment	(35.64)	166.94
Assets condemned/Written off	35.31	46.52
Interest and Finance Charges	569.47	1,524.08
Interest Income	(112.57)	(99.17)
Dividend Income	(0.03)	(36.98)
	4,327.42	7,748.88
Operating profit before working capital changes	7,592.85	19,232.66
Changes in Working Capital		
Provisions - Non Current	156.14	253.55
Other Financial Assets - Non Current	(104.17)	(154.70)
Other Non Current Assets	(126.85)	1,392.05
Inventories	7,107.69	1,702.51
Trade Receivables	(2,172.82)	4,627.97
Other Financial Assets - Current	(28.93)	2.80
Other Current Assets	181.88	(38.99)
Trade Payables	3,730.82	(1,560.01)
Other financial liabilities	(199.89)	(817.77)
Current Liabilities	1,083.56	(1,071.71)
Provisions - Current	23.96	8.02
	9,651.39	4,343.72
Cash generated from operations	17,244.24	23,576.38
Income tax paid, net of refunds received	(880.06)	(3,233.07)
Net Cash generated from operating activities (A)	16,364.18	20,343.31



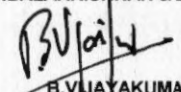
Particulars	For the half year ended 30 September,2020	For the year ended 31 March,2020
B. Cash flow from Investing activities		
Capital expenditure, including capital advances	(1,909.86)	(8,907.97)
Proceeds from sale of fixed assets	178.83	1,821.53
Proceeds from sale of investments	42.90	1,500.00
Bank Balances not considered as cash and cash equivalents	(189.56)	(55.67)
Dividend income	0.03	36.98
Interest Income	112.57	99.17
Net cash used in Investing activities (B)	(1,765.09)	(5,505.96)
C. Cash flow from financing activities		
Interest and Finance Charges	(507.59)	(1,386.81)
Dividend Paid including Tax	(12.94)	(3,758.56)
Lease payments	(150.19)	(296.33)
Borrowings - Current and Non-current (Net)	327.66	(9,915.22)
Net cash used in financing activities (C)	(343.06)	(15,356.92)
Net (decrease)/increase in cash and cash equivalents (A) + (B) + (C)	14,256.03	(519.57)
Cash and Cash Equivalents at the beginning of the year	342.63	862.23
Cash and Cash Equivalents at the end of the year	14,598.66	342.66

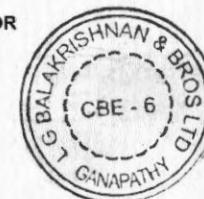
Notes:

- The consolidated / standalone financial results of the Company for the quarter/half-year ended 30th September, 2020 have been reviewed by the Audit Committee at their meeting held on 26th October, 2020 and have been approved by the Board of Directors at its meeting held on 26th October, 2020.
- The above financial results of the Company for the quarter/half-year ended 30th September, 2020 have been audited by the Statutory Auditors.
- The Consolidated Financial Results includes the financial results of the subsidiaries namely, LGB-USA, INC & GFM Acquisition, LLC.
- Exceptional item represents Profit on sale of Land, Profit on sale of investment and subsidy received.
- The results of the previous quarter were affected due to the nation wide lockdown imposed by the Government of India in the wake of Covid-19 Pandemic and consequent to which the operations of the company were restricted. During the quarter, the Government had announced the major unlock process and the Company's operations day to day activities were back to normal. Hence the results of the quarter/half year are therefore not comparable with those of the previous quarter/half year.
- Previous period figures have been regrouped/reclassified to make them comparable with those of current period.

COIMBATORE
26.10.2020

By order of the Board
For L.G.BALAKRISHNAN & BROS LIMITED


B. VIJAYAKUMAR
CHAIRMAN AND MANAGING DIRECTOR



SURI & CO.,

**CHARTERED ACCOUNTANTS,
OFFICES :**

**CHENNAI, THIRUVANANTHAPURAM, MADURAI,
COIMBATORE, COONOOR, BENGALURU & KOCHI**

**Phone : 2433627, 2440720
II FLOOR, A.M.M. Buildings,
354, Mettupalayam Road,
COIMBATORE - 641 043.**

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF INTERIM STANDALONE FINANCIAL RESULTS

**TO
THE BOARD OF DIRECTORS OF
L.G.BALAKRISHNAN & BROS LIMITED
COIMBATORE**

Opinion

We have audited the accompanying standalone financial results of **L.G.Balakrishnan & Bros. Limited ("the Company")** for the quarter ended 30th September, 2020, and the year to date results from 1st April, 2020 to 30th September, 2020 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter ended 30th September, 2020 as well as the year to date results for the period from 1st April, 2020 to 30th September, 2020.



Basis for Opinion

We conducted our audit in accordance with the Standards On Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditors Responsibilities for the audit of the standalone financial results section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Standalone Financial Results:

These quarterly financial results as well as the year to date standalone financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 - Interim Financial Reporting, prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Results:

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

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

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

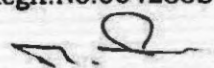
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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



Place: Coimbatore
Date: 26-10-2020

For Suri & Co.,
Chartered Accountants
Firm Regn.No.004283S


(M. Sivaram)
Partner
M.No.211916

UDIN: 20211916 AAAA 0Q7685

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**INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL
RESULTS**

TO
THE BOARD OF DIRECTORS OF
L.G. BALAKRISHNAN & BROS LIMITED.
COIMBATORE.

Opinion

We have audited the accompanying Statement of Consolidated Financial Results of **L.G. BALAKRISHNAN & BROS LIMITED** ("the Holding Company") and its subsidiaries (the holding Company and its subsidiaries together referred to as "the Group"), for the quarter ended September 30, 2020 and for the period from April 1, 2020 to September 30, 2020 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, and based on separate financial information of subsidiaries, the statement:

- a) includes the results of the following entities:
 - (i) LGB-USA, INC. (Subsidiary);
 - (ii) GFM Acquisition LLC (Step-down Subsidiary);
 - (iii) GFM LLC (Step-down Subsidiary);
- b) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, as amended; and



c) gives a true and fair view, in conformity with the applicable Indian Accounting Standards and other accounting principles generally accepted in India, of Consolidated profit, total comprehensive income and other financial information of the Group for the quarter ended September 30, 2020 and for the period from April 1, 2020 to September 30, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditors Responsibilities for the audit of the consolidated financial results section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Consolidated Financial Results:

These quarterly financial results as well as the year to date consolidated financial results have been prepared on the basis of the interim financial statements.

The Holding Company's Board of Directors are responsible for the preparation of these consolidated financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the group including its associates in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of



the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the group and its associates for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results 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 results by the directors of the holding company, as aforesaid.

In preparing the consolidated financial results, the respective Board of Directors of the companies included in the group are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the group are responsible for overseeing the financial reporting process of the group.

Auditor's Responsibility for the Audit of the Consolidated Financial Results:

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



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

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



- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.



Other Matters

The consolidated financial results includes the unaudited financial information of three subsidiaries, whose financial information reflect total assets of Rs. 8,321.11 lakhs as at 30 June, 2020, total revenue of Rs. 3,069.16 lakhs for the half year ended 30 June, 2020, and total loss of Rs. 1,584.88 lakhs for the half year ended 30 June, 2020, as considered in the consolidated interim financial results. These financial information is unaudited and have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial information are not material to the Group.

Our opinion on the consolidated financial results 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 information certified by the Board of Directors.



Place: Coimbatore.
Date: 26.10.2020

For Suri & Co,
Chartered Accountants
Firm Registration No.: 004283S

A handwritten signature in black ink, appearing to be "M. Sivaram".

(M. Sivaram)
Partner

(Membership No.:211916)

UDIN: 20211916 AAAAOR 2170