



# L.G. BALAKRISHNAN & BROS LIMITED

LGB/SEC/STK-BM-2020

05.06.2020

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

Dear Sirs,

**Sub: Outcome of Board Meeting.**

**Ref: Intimation under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)**

The Board of Directors of the Company at its meeting held on Friday, June, 05, 2020, had inter-alia considered and approved the following;

Pursuant to Regulation 33 of the Listing Regulations we are enclosing herewith Audited Standalone and consolidated financial results for the quarter and year ended March 31, 2020 along with Auditors Report. Further note that the statutory auditors of the Company have expressed an unqualified audit opinion in this regard.

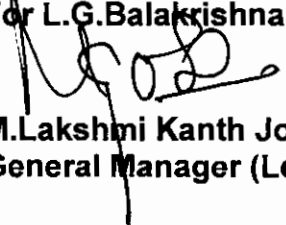
The Board has not recommended any final dividend. The interim dividend of Rs.5/- declared by the Board at its meeting held on February 21, 2020 shall be considered as the final dividend for the financial year 2019-20. Thus, the total dividend for the financial year 2019-20 remains Rs.5/- per equity share.

In accordance with SEBI circular dated 12th May, 2020 read with circular dated 26<sup>th</sup> March, 2020 granting relaxation from the provisions of Regulation 47 of the SEBI Listing Regulations, the above financial results will not be advertised in the newspapers. However, the same will be available on Company's website.

This is to inform that the Board meeting commenced at 2.30 PM and concluded at 6.10.PM

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/YEAR ENDED 31-03-2020**

Rs. in Lakhs

Sl. No.	Particulars	Quarter ended			Year ended		Quarter ended			Year ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Standalone					Consolidated				
1	Revenue from operations	33,485.29	38,167.44	38,172.00	1,44,427.22	1,58,210.43	35,631.07	40,671.76	40,885.07	1,54,282.79	1,68,799.87
2	Other Income	190.80	48.02	66.48	366.46	281.87	190.80	48.02	66.48	366.46	281.87
3	<b>Total Revenue (1) + (2)</b>	<b>33,676.09</b>	<b>38,215.46</b>	<b>38,238.48</b>	<b>1,44,793.68</b>	<b>1,58,492.30</b>	<b>35,821.88</b>	<b>40,719.78</b>	<b>40,951.55</b>	<b>1,54,649.25</b>	<b>1,69,081.74</b>
4	<b>Expenses</b>										
	(a) Cost of materials consumed	14,579.60	17,753.84	15,552.17	63,952.17	75,099.91	16,140.24	18,946.18	17,398.77	69,720.62	81,356.34
	(b) Purchases of stock-in-trade	-	-	-	-	-	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(378.69)	(845.19)	2,168.62	822.81	(4,048.08)	(90.75)	(842.49)	1,876.65	814.84	(4,340.05)
	(d) Employee benefits expense	6,148.37	6,171.13	5,851.12	23,873.00	24,023.75	6,364.38	6,789.17	6,407.02	25,951.80	26,054.73
	(e) Finance costs	284.59	333.81	333.07	1,408.51	1,041.73	313.66	365.15	356.62	1,524.08	1,125.61
	(f) Depreciation and amortisation expense	1,961.08	1,928.17	1,707.94	7,418.28	6,397.44	2,080.87	2,043.24	1,817.38	7,865.69	6,805.39
	(g) Other expenses	9,377.76	9,762.09	10,496.89	37,188.37	42,918.27	8,807.43	10,239.56	11,097.13	39,170.94	45,022.65
	(h) <b>Total expenses (a) to (h)</b>	<b>31,972.71</b>	<b>35,103.85</b>	<b>36,109.81</b>	<b>1,34,663.14</b>	<b>1,45,433.02</b>	<b>34,615.85</b>	<b>37,542.81</b>	<b>38,953.57</b>	<b>1,45,047.98</b>	<b>1,56,024.66</b>
5	<b>Profit before exceptional and extraordinary items and tax (3 - 4)</b>	<b>1,703.38</b>	<b>3,111.61</b>	<b>2,128.67</b>	<b>10,130.54</b>	<b>13,059.28</b>	<b>1,206.03</b>	<b>3,176.97</b>	<b>1,997.98</b>	<b>9,601.27</b>	<b>13,057.08</b>
6	Exceptional Items (Refer Note.4)	613.47	1,184.33	407.53	2,524.45	1,204.97	613.47	522.39	407.53	1,882.51	1,204.97
7	<b>Profit before extraordinary items and tax (5 + 6)</b>	<b>2,316.85</b>	<b>4,275.94</b>	<b>2,536.20</b>	<b>12,654.99</b>	<b>14,264.25</b>	<b>1,819.50</b>	<b>3,699.36</b>	<b>2,405.51</b>	<b>11,483.78</b>	<b>14,262.04</b>
8	Extraordinary Items	-	-	-	-	-	-	-	-	-	-
9	<b>Profit before tax (7 + 8)</b>	<b>2,316.85</b>	<b>4,275.94</b>	<b>2,536.20</b>	<b>12,654.99</b>	<b>14,264.25</b>	<b>1,819.50</b>	<b>3,699.36</b>	<b>2,405.51</b>	<b>11,483.78</b>	<b>14,262.04</b>
10	<b>Tax expense</b>										
	(a) Current tax	572.24	966.58	514.85	3,147.18	4,252.49	572.24	966.58	514.85	3,147.18	4,252.49
	(b) Deferred tax	(23.60)	(60.26)	237.91	(675.64)	346.58	(23.60)	(60.26)	237.91	(675.64)	346.58
11	<b>Net Profit for the period (9 - 10)</b>	<b>1,768.21</b>	<b>3,369.62</b>	<b>1,783.44</b>	<b>10,183.45</b>	<b>9,665.18</b>	<b>1,270.86</b>	<b>2,793.04</b>	<b>1,652.75</b>	<b>9,012.24</b>	<b>9,662.97</b>
12	Share of profit of associate	-	-	-	-	-	0.00	6.17	135.52	116.00	293.44
13	<b>Net Profit after taxes and share of profit of associate (11 + 12)</b>	<b>1,768.21</b>	<b>3,369.62</b>	<b>1,783.44</b>	<b>10,183.45</b>	<b>9,665.18</b>	<b>1,270.86</b>	<b>2,799.21</b>	<b>1,788.27</b>	<b>9,128.24</b>	<b>9,956.41</b>
	<b>Net profit attributable to:</b>										
	(a) Owners	-	-	-	-	-	1,298.10	2,783.19	1,820.32	9,163.31	9,956.95
	(b) Non Controlling interest	-	-	-	-	-	(27.24)	16.03	(32.05)	(35.07)	(0.54)
14	<b>Other comprehensive income, net of Income-tax</b>										
	(a) Items that will not be reclassified to Profit or Loss	(1,951.58)	(619.89)	(659.26)	(1,924.75)	(211.26)	(1,951.58)	(619.89)	(659.26)	(1,924.75)	(211.26)
	(b) Items that will be reclassified to Profit or Loss	-	-	-	-	-	-	-	-	-	-
	<b>Total other comprehensive income, net of income-tax</b>	<b>(1,951.58)</b>	<b>(619.89)</b>	<b>(659.26)</b>	<b>(1,924.75)</b>	<b>(211.26)</b>	<b>(1,951.58)</b>	<b>(619.89)</b>	<b>(659.26)</b>	<b>(1,924.75)</b>	<b>(211.26)</b>
15	<b>Total comprehensive income for the period (13 + 14)</b>	<b>(183.37)</b>	<b>2,749.73</b>	<b>1,124.18</b>	<b>8,258.70</b>	<b>9,453.92</b>	<b>(680.72)</b>	<b>2,179.32</b>	<b>1,129.01</b>	<b>7,203.49</b>	<b>9,745.15</b>

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Sl. No.	Particulars	Quarter ended			Year ended		Quarter ended			Year ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Standalone					Consolidated				
	<b>Total comprehensive income attributable to:</b>										
	(a) Owners	-	-	-	-	-	(653.48)	2,163.30	1,161.06	7,238.56	9,745.70
	(b) Non Controlling interest	-	-	-	-	-	(27.24)	16.03	(32.05)	(35.07)	(0.54)
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
17	Reserves (excluding Revaluation Reserves as shown in the Audited Balance Sheet of the previous year)	-	-	-	60,437.22	54,255.95	-	-	-	63,458.59	56,971.34
18	Earnings per equity share (Rs.)										
	(i) Basic	5.63*	10.73*	5.68*	32.44	30.79	4.14*	8.87*	5.80*	29.19*	31.72
	(ii) Diluted	5.63*	10.73*	5.68*	32.44	30.79	4.14*	8.87*	5.80*	29.19*	31.72
	* 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

Rs. in Lakhs

Sl. No.	Particulars	Quarter ended			Year ended		Quarter ended			Year ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Standalone					Consolidated				
1	<b>Segment Revenue</b>										
	(Net Sale/Income from operations)										
	a) Transmission	27,431.52	32,112.54	30,104.61	1,18,835.75	1,24,693.15	27,431.52	32,112.54	30,104.61	1,18,835.75	1,24,693.15
	b) Metal Forming	6,053.77	6,054.90	8,067.39	25,591.47	33,517.28	8,199.55	8,559.22	10,780.46	35,447.04	44,106.72
	<b>Total</b>	<b>33,485.29</b>	<b>38,167.44</b>	<b>38,172.00</b>	<b>1,44,427.22</b>	<b>1,58,210.43</b>	<b>35,631.06</b>	<b>40,671.76</b>	<b>40,885.07</b>	<b>1,54,282.79</b>	<b>1,68,799.87</b>
	Less: Inter segment revenue	-	-	-	-	-	-	-	-	-	-
	<b>Net Sales/Income from operations</b>	<b>33,485.29</b>	<b>38,167.44</b>	<b>38,172.00</b>	<b>1,44,427.22</b>	<b>1,58,210.43</b>	<b>35,631.06</b>	<b>40,671.76</b>	<b>40,885.07</b>	<b>1,54,282.79</b>	<b>1,68,799.87</b>
2	<b>Segment Results</b>										
	(Profit/(Loss) before tax and interest)										
	a) Transmission	1,389.19	3,249.53	1,783.20	10,083.33	10,730.86	1,389.19	3,724.53	1,783.20	10,558.33	10,730.86
	b) Metal Forming	785.05	367.03	897.19	2,054.85	4,017.34	316.77	(178.21)	790.05	999.21	4,099.01
	<b>Total</b>	<b>2,174.24</b>	<b>3,616.56</b>	<b>2,680.39</b>	<b>12,138.18</b>	<b>14,748.20</b>	<b>1,705.96</b>	<b>3,546.32</b>	<b>2,573.25</b>	<b>11,557.54</b>	<b>14,829.87</b>
	Less: (i) Interest	284.59	333.81	333.07	1,408.51	1,041.73	313.66	365.15	356.62	1,524.08	1,125.61
	(ii) Other unallocable (income) / expenditure (net)	(427.20)	(993.19)	(188.88)	(1,925.32)	(557.78)	(427.20)	(518.19)	(188.88)	(1,450.32)	(557.78)
	<b>Total Profit Before Tax</b>	<b>2,316.85</b>	<b>4,275.94</b>	<b>2,536.20</b>	<b>12,654.99</b>	<b>14,264.25</b>	<b>1,819.50</b>	<b>3,699.36</b>	<b>2,405.51</b>	<b>11,483.78</b>	<b>14,262.04</b>

*[Handwritten Signature]*



Sl. No.	Particulars	Quarter ended			Year ended		Quarter ended			Year ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Standalone					Consolidated				
<b>3</b>	<b>Segment Assets</b>										
a)	Transmission	67,949.05	71,636.49	69,308.86	67,949.05	69,308.86	67,949.05	71,636.49	69,308.86	67,949.05	69,308.86
b)	Metal Forming	26,068.14	26,770.10	29,897.77	26,068.14	29,897.77	35,502.13	35,941.48	38,589.29	35,502.13	38,589.29
c)	Unallocated	12,256.38	12,976.78	15,065.87	12,256.38	15,065.87	9,710.44	11,545.39	14,224.52	9,710.44	14,224.52
	<b>Total</b>	<b>1,06,273.57</b>	<b>1,11,383.37</b>	<b>1,14,272.50</b>	<b>1,06,273.57</b>	<b>1,14,272.50</b>	<b>1,13,161.62</b>	<b>1,19,123.36</b>	<b>1,22,122.67</b>	<b>1,13,161.62</b>	<b>1,22,122.67</b>
<b>4</b>	<b>Segment Liabilities</b>										
a)	Transmission	19,992.24	22,925.67	20,840.98	19,992.24	20,840.98	19,992.24	22,925.68	20,840.99	19,992.24	20,840.99
b)	Metal Forming	6,602.34	6,299.45	7,796.53	6,602.34	7,796.53	9,427.60	8,707.90	9,912.93	9,427.60	9,912.93
c)	Unallocated	11,628.36	12,032.00	22,058.53	11,628.36	22,058.53	13,128.03	14,904.58	24,770.92	13,128.03	24,770.92
	<b>Total</b>	<b>38,222.93</b>	<b>41,257.12</b>	<b>50,696.04</b>	<b>38,222.93</b>	<b>50,696.04</b>	<b>42,547.87</b>	<b>46,538.15</b>	<b>55,524.84</b>	<b>42,547.87</b>	<b>55,524.84</b>
<b>5</b>	<b>Capital Employed</b>										
a)	Transmission	47,956.81	48,710.81	48,467.88	47,956.81	48,467.88	47,956.81	48,710.81	48,467.87	47,956.81	48,467.87
b)	Metal Forming	19,465.80	20,470.65	22,101.24	19,465.80	22,101.24	26,074.54	27,233.58	28,676.36	26,074.54	28,676.36
c)	Unallocated	628.02	944.78	(6,992.66)	628.02	(6,992.66)	(3,417.59)	(3,359.19)	(10,546.40)	(3,417.59)	(10,546.40)
	<b>Total</b>	<b>68,050.63</b>	<b>70,126.25</b>	<b>63,576.46</b>	<b>68,050.63</b>	<b>63,576.46</b>	<b>70,613.76</b>	<b>72,585.20</b>	<b>66,597.83</b>	<b>70,613.76</b>	<b>66,597.83</b>



	As at		As at	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
	Standalone		Consolidated	
<b>A ASSETS</b>				
<b>1 Non-current assets</b>				
Property, Plant and Equipments	52,731.78	47,410.85	56,727.42	51,415.38
Capital work-in-progress	759.96	3,605.79	889.25	3,670.92
Investment Property	47.37	49.37	47.37	49.37
Goodwill on amalgamation	-	-	1,479.40	1,448.68
Intangible assets	213.83	244.02	213.83	244.02
Financial assets			0.00	0.00
(i) Investments	4,616.62	6,564.77	1,957.78	5,547.31
(ii) Other financial assets	1,337.53	1,182.83	1,337.53	1,182.83
Other non-current assets	768.19	2,160.24	768.19	2,160.24
	<b>60,475.28</b>	<b>61,217.87</b>	<b>63,420.77</b>	<b>65,718.75</b>
<b>2 Current assets</b>				
Inventories	26,912.88	28,954.81	28,969.01	30,671.52
Financial assets				
(i) Trade receivables	15,833.44	20,722.27	17,460.60	22,079.03
(ii) Cash and cash equivalents	239.02	819.66	342.67	862.23
(iii) Other bank balances	158.89	103.22	158.89	103.22
(iv) Other financial assets	67.26	70.06	67.25	70.06
Current tax Asset(Net)	964.34	815.25	1,077.25	991.36
Other current assets	552.28	498.87	595.00	556.01
	<b>44,728.11</b>	<b>51,984.14</b>	<b>48,670.67</b>	<b>55,333.43</b>
<b>3 Asset held for Sale</b>	<b>1,070.18</b>	<b>1,070.49</b>	<b>1,070.18</b>	<b>1,070.49</b>
<b>Total Assets</b>	<b>1,06,273.57</b>	<b>1,14,272.50</b>	<b>1,13,161.62</b>	<b>1,22,122.67</b>



	As at		As at	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
	Standalone		Consolidated	
<b>B EQUITY AND LIABILITIES</b>				
<b>1 Equity</b>				
Share capital	3,139.24	3,139.24	3,139.24	3,139.24
Other Equity	64,911.39	60,437.22	67,474.51	63,458.59
Equity Attributable to Owners of the Company	68,050.63	63,576.46	70,613.75	66,597.83
Non-controlling interest	-	-	404.14	1,485.41
<b>Total Equity</b>	<b>68,050.63</b>	<b>63,576.46</b>	<b>71,017.89</b>	<b>68,083.24</b>
<b>2 Liabilities</b>				
<b>Non-current liabilities</b>				
Financial Liabilities				
(i) Borrowings	6,960.49	8,692.01	8,056.03	9,919.00
(ii) Other financial liabilities	1,455.92	-	1,455.92	-
Provisions	1,325.06	1,088.58	1,325.06	1,088.59
Deferred tax liabilities	1,244.80	2,017.22	1,244.80	2,017.22
<b>Total Non-current Liabilities</b>	<b>10,986.27</b>	<b>11,797.81</b>	<b>12,081.81</b>	<b>13,024.81</b>
<b>3 Current liabilities</b>				
Financial Liabilities				
(i) Borrowings	1,130.55	7,869.80	1,130.55	7,869.80
(ii) Trade payables	22,264.19	24,144.01	24,718.41	25,763.36
(iii) Other financial liabilities	3,015.12	4,993.92	3,386.14	5,490.95
Provision	45.73	37.71	45.73	37.71
Other current liabilities	781.09	1,852.79	781.09	1,852.80
<b>Total Current Liabilities</b>	<b>27,236.68</b>	<b>38,898.23</b>	<b>30,061.92</b>	<b>41,014.62</b>
<b>Total Liabilities</b>	<b>1,06,273.57</b>	<b>1,14,272.50</b>	<b>1,13,161.62</b>	<b>1,22,122.67</b>



Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
<b>A. Cash flow from operating activities</b>		
Net Profit before Tax	12,654.99	14,264.25
Adjustments for:		
Depreciation	7,418.28	6,397.44
Provision for Doubtful Debts	(9.54)	64.89
Profit/Loss on sale of assets	(1,710.30)	(1,211.22)
Profit/Loss on Sale of Investment	(475.00)	
Assets condemned/Written off	46.52	53.83
Interest and Finance Charges	1,408.51	1,041.73
Interest Income	(99.17)	(74.61)
Dividend Income	(36.98)	(15.15)
	6,542.32	6,256.91
Operating profit before working capital changes	19,197.31	20,521.16
<b>Changes in Working Capital</b>		
Provisions - Non Current	253.54	(29.11)
Other Financial Assets - Non Current	(154.69)	(158.24)
Other Non Current Assets	1,392.05	(70.05)
Inventories	2,041.93	(4,826.74)
Trade Receivables	4,898.37	(2,742.90)
Other Financial Assets - Current	2.78	7.00
Other Current Assets	(53.41)	1,417.92
Trade Payables	(1,879.82)	(726.66)
Other financial liabilities	(817.75)	805.41
Current Liabilities	(1,071.71)	644.10
Provisions - Current	8.03	1.39
	4,619.32	(5,677.88)
Cash generated from operations	23,816.63	14,843.28
Income tax paid, net of refunds received	(3,296.26)	(5,061.36)
<b>Net Cash generated from operating activities (A)</b>	<b>20,520.37</b>	<b>9,781.92</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure, including capital advances	(8,403.66)	(19,330.31)
Investment in Foreign subsidiary	(1,115.45)	-
Proceeds from sale of fixed assets	1,821.53	1,233.10
Proceeds from sale of Investments	1,500.00	-
Bank Balances not considered as cash and cash equivalents	(55.67)	139.16
Dividend income	36.98	15.15
Interest Income	99.17	74.61
<b>Net cash used in investing activities (B)</b>	<b>(6,117.10)</b>	<b>(17,868.28)</b>



Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
<b>C. Cash flow from financing activities</b>		
Interest and Finance Charges	(1,271.23)	(1,041.73)
Dividend Paid including Tax	(3,758.56)	(1,697.38)
Lease payments	(296.33)	-
Borrowings - Current and Non-current (Net)	(9,657.79)	11,029.51
<b>Net cash used in financing activities (C)</b>	<b>(14,983.91)</b>	<b>8,290.40</b>
<b>Net (decrease)/increase in cash and cash equivalents (A) + (B) + (C)</b>	<b>(580.64)</b>	<b>204.07</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>819.66</b>	<b>615.59</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>239.02</b>	<b>819.66</b>

Statement of Consolidated Cashflow for the year ended 31 March, 2020

Rs. in Lakhs

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
<b>A. Cash flow from operating activities</b>		
Net Profit before Tax	11,483.78	14,262.04
Adjustments for:		
Depreciation	7,865.69	6,805.39
Provision for Doubtful Debts	(9.54)	64.89
Profit/Loss on sale of assets	(1,708.66)	(1,205.81)
Profit/Loss on Sale of Investment	166.94	-
Assets condemned/Written off	46.52	53.83
Interest and Finance Charges	1,524.08	1,125.61
Interest Income	(98.17)	(74.61)
Dividend Income	(36.98)	(15.15)
	7,748.88	6,754.15
<b>Operating profit before working capital changes</b>	<b>19,232.66</b>	<b>21,016.19</b>
<b>Changes in Working Capital</b>		
Provisions - Non Current	253.55	(29.09)
Other Financial Assets - Non Current	(154.70)	(158.24)
Other Non Current Assets	1,392.05	(31.39)
Inventories	1,702.51	(5,338.37)
Trade Receivables	4,827.97	(2,738.57)
Other Financial Assets - Current	2.80	8.99
Other Current Assets	(38.99)	1,368.56
Trade Payables	(1,560.00)	(310.43)
Other financial liabilities	(817.77)	876.25
Current Liabilities	(1,071.71)	573.27
Provisions - Current	8.02	1.39
	4,343.73	(5,779.63)
<b>Cash generated from operations</b>	<b>23,576.40</b>	<b>15,236.56</b>
Income tax paid, net of refunds received	(3,233.07)	(5,076.14)
<b>Net Cash generated from operating activities (A)</b>	<b>20,343.32</b>	<b>10,160.42</b>





Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
<b>B. Cash flow from Investing activities</b>		
Capital expenditure, including capital advances	(8,907.97)	(19,509.39)
Proceeds from sale of fixed assets	1,821.53	1,232.33
Proceeds from sale of investments	1,500.00	-
Bank Balances not considered as cash and cash equivalents	(55.67)	139.16
Dividend income	36.98	15.15
Interest Income	99.17	74.62
<b>Net cash used in Investing activities (B)</b>	<b>(5,505.96)</b>	<b>(18,048.13)</b>
<b>C. Cash flow from financing activities</b>		
Interest and Finance Charges	(1,386.81)	(1,125.61)
Dividend Paid including Tax	(3,758.56)	(1,697.38)
Lease payments	(296.33)	-
Borrowings - Current and Non-current (Net)	(9,915.22)	10,925.40
<b>Net cash used in financing activities (C)</b>	<b>(15,356.92)</b>	<b>8,102.41</b>
<b>Net (decrease)/increase in cash and cash equivalents (A) + (B) + (C)</b>	<b>(519.56)</b>	<b>214.70</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>862.23</b>	<b>647.53</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>342.67</b>	<b>862.23</b>

**Notes:**

- The consolidated / standalone financial results of the Company for the quarter/year ended 31st March, 2020 have been reviewed by the Audit Committee at their meeting held on 5th June, 2020 and have been approved by the Board of Directors at its meeting held on 5th June, 2020.
- The above financial results of the Company for the quarter/year ended 31st March, 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 and Associate namely Renold Chain India Private Limited.
- Exceptional item represents Profit on sale of Land, Profit on sale of entire Investment in Renold Chain India Private Limited, an associate company and subsidy received.
- The Company elected to exercise the option permitted under Section 115BAA of the Income -tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for Income tax for the year ended 31 March 2020 and re-measured its Deferred Tax Assets based on the rate prescribed in the said Section. The deferred tax reversal of Rs. 564.23 lakhs has already been given effect to in the results for quarter ended 30.09.2019.
- The company has adopted Ind AS 116 " Leases" with effect from 1st April 2019. The company has measured Right-to-use Asset and Lease Liability for Rs.1,614.97 Lakhs based on the remaining lease period and payments discounted using the incremental borrowing rate as at the date of initial application.
- The outbreak of COVID-19 pandemic and the resulting lockdown enforced from 23rd March 2020 has affected the Company's regular operations. In assessing the recoverability of Company's assets such as Property Plant and Equipment, investments, Trade Receivables, Inventories etc the company has considered available information upto the date of approval of these financial results and expect to recover the carrying amount of the assets. The Company's operations were impacted by the closure of the Company by 9 days by the end of March'20 due to COVID-19 effect.
- The Board has not recommended any final dividend. The interim dividend of Rs.5/- declared by the Board at its meeting held on 21st February, 2020 shall be considered as the final dividend for the financial year 2019-20.
- Previous period figures have been regrouped/reclassified to make them comparable with those of current period.

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

*B. Vijay Kumar*  
B. VIJAYAKUMAR  
CHAIRMAN AND MANAGING DIRECTOR



COIMBATORE  
05.06.2020

# **SURI & CO.,**

**CHARTERED ACCOUNTANTS,**

**OFFICES :**

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

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

## **INDEPENDENT AUDITOR'S REPORT ON AUDIT OF 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 and year ended 31<sup>st</sup> March, 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 of the company for the quarter and year ended 31<sup>st</sup> March, 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 Standalone financial results under the provisions of the Companies Act, 2013 and the rules there under, 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.

**Emphasis of Matter**

We draw attention to Note No. 7 of the statement which describes the impact of Covid-19 pandemic, and its possible consequential implications, on the company’s operations. Our opinion is not modified in respect of this matter.

**Management’s Responsibilities for the Standalone Financial Results:**

These Standalone financial results have been prepared on the basis of Standalone financial statements. The Company’s Management and the Board of Directors are responsible for the preparation and presentation of these Standalone financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards, 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 Management and 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is 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 Standalone 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 the Management and the 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 Standalone 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: 05-06-2020

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

A handwritten signature in black ink, appearing to be "M. Sivaram", written over a horizontal line.

**M.SIVARAM**  
Partner  
(Membership No. 211916)  
UDIN: 20211916AAAAGX3801

# **SURI & CO.,**

**CHARTERED ACCOUNTANTS,**

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II FLOOR, A.M.M. Buildings,  
354, Mettupalayam Road,  
COIMBATORE - 641 043.**

## **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"), and its share of the profit of its associate for the quarter and year ended March 31, 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"). Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended March 31, 2019, as reported in these financial results have been approved by the holding company's Board of Directors, but have not been subjected to audit.

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

a) includes the results of the following entities:

- (i) LGB-USA, INC. (Subsidiary);
- (ii) GFM Acquisition LLC (Subsidiary);
- (iii) GFM LLC (Subsidiary);
- (iv) Renold Chain India Private Limited (Associate- till date of disposal);

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/loss, total comprehensive income and other financial information of the Group for the quarter ended March 31, 2020 and for the period from April 1, 2019 to March 31, 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 Group and its associates 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 there under, 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.

### **Emphasis of Matter**

We draw attention to Note No. 7 of the statement which describes the impact of Covid-19 pandemic, and its possible consequential implications, on the company's operations. Our opinion is not modified in respect of this matter.

### **Management's Responsibilities for the Consolidated Financial Results:**

These Consolidated financial results have been prepared on the basis of the Consolidated financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the consolidated net profit/loss 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 there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and the 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 Management and the Board of Directors of the holding company, as aforesaid.

In preparing the consolidated financial results, the respective Management and the Board of Directors of the companies included in the group and of its associates are responsible for assessing the ability of the group and its associates 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 and its associates is responsible for overseeing the financial reporting process of the group and its associates.

**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 scepticism 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 and its associates 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 and its associates 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 consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities within the Group and its associates 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.9546.91 lakhs as at 31 December, 2019, total revenue of Rs.9855.58 lakhs for the year ended 31 December, 2019, and total loss of Rs.529.26 lakhs for the year ended 31 December, 2019, as considered in the consolidated financial results. The consolidated financial results also includes the Group's share of profit after tax of Rs.116.00 lakhs (till date of disposal) for the year ended 31 March, 2020, as considered in the consolidated financial results, in respect of one associate, whose financial information has not been audited by us. These financial information are 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 and associate, 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: 05-06-2020

**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: 20211916AAAAGY8791



# L.G. BALAKRISHNAN & BROS LIMITED

Listing Department The National Stock Exchange of India Limited "Exchange Plaza" Bandra Kurla Complex, Bandra(E) Mumbai – 400 051	Listing Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
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LGB /SEC/STK-BM-2020

05.06.2020

Sub: Declaration with respect to Auditor's Report with unmodified opinion to the Standalone and Consolidated Audited Financial Results for the Financial Year Ended March 31, 2020.

Pursuant to Regulation 33(3)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we do hereby confirm that the Statutory Auditors of the Company M/s. Suri & Co., (Firm's Registration No. 004283S) have not expressed any modified opinion in its Standalone and Consolidated Annual Audited Financial Results of the Company, for the Financial Year ended March 31, 2020.

Thanking You.

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

N.Rengaraj  
Chief Financial Officer