



L.G. BALAKRISHNAN & BROS LIMITED

National Stock Exchange of India Limited
"Exchange Plaza"
Bandra Kurla Complex
Bandra (E)
Mumbai - 400 051

Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

LGB/SEC/STK-BM-2019

31.10.2019

Dear Sirs,

Sub: Outcome of Board Meeting.

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

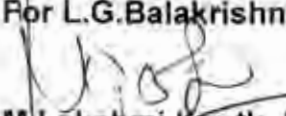
The Board of Directors of the Company at its meeting held on Thursday, 31st October, 2019, had inter-alia considered and approved the following:

1. 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 / six months ended 30th September, 2019 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 today i.e. the 31st October, 2019.
2. "Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that based on the recommendation of the Audit Committee and the Board of Directors of the Company, at their meetings held today, the Company would be entering into an agreement to divest its entire stake of 25% in M/s.Renold Chain India Private Limited (an Associate Company) through a buyback process. The buyback process will be subject to satisfaction of conditions precedent and is expected to be completed within a period of three months."

Kindly take the same on record

Thanking You,

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


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

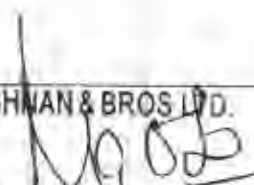


L.G. BALAKRISHNAN & BROS LIMITED

Disclosure pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to divestment of the equity shares held by L.G.Balakrishnan & Bros Limited ("the Company") in the joint venture Company viz., M/s.Renold Chain India Private Limited ("RENOLD")

	Disclosure requirement	Details
a.	The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the listed entity during the last financial year;	The turnover of the joint venture Company viz., RENOLD for the financial year 2018-2019 was Rs.9,822.01 Lakhs. The proportionate share of profit from RENOLD in the consolidated financial results of the Company for the said financial year was Rs.293.44 Lakhs.
b.	Date on which the agreement for sale has been entered into;	The agreement to be executed on 31.10.2019 (Today)
c.	The expected date of completion of sale/disposal;	Completed within a period of three months.
d.	Consideration received from such sale/disposal;	The consideration for divestment of the Company's Equity Investment in RENOLD is INR 15 Crores. The consideration will be received post execution of necessary Agreement and completion of Buyback formalities.
e.	Brief details of buyers and whether any of the buyers belong to the promoter/promoter group/group companies. If yes, details thereof;	The Company "RENOLD" buyback its own shares. The buyer does not belong to the promoter/promoter group/group companies.
f.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length";	The transaction will not fall within the meaning of a 'related party transaction'.
g.	Additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale.	Not applicable

For L.G. BALAKRISHNAN & BROS LTD.


M.LAKSHMI KANTH JOSHI
General Manager (Legal) and Company Secretary
MEM No. -14273

L.G.BALAKRISHNAN & BROS LIMITED
6/16/13 Krishnarayapuram Road, Ganapathy, Coimbatore - 641 006
CIN NO.L29191TZ1956PLC000257

STATEMENT OF STANDALONE/CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER/HALF-YEAR ENDED 30-09-2019

(Rs. in Lakhs)

Sl. No.	Particulars	Quarter ended			Half-year ended		Year ended	Quarter ended			Half-year ended		Year ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		Standalone						Consolidated					
1	Revenue from operations	38,813.86	33,960.81	42,696.89	72,774.49	79,096.86	158,210.43	41,196.64	36,783.32	45,174.67	77,979.96	84,321.50	168,799.87
2	Other income	45.67	81.97	78.72	127.64	170.29	281.87	45.67	81.97	78.72	127.64	170.29	281.87
3	Total Revenue (1) + (2)	38,859.53	34,042.78	42,775.61	72,902.13	79,267.15	158,492.30	41,242.31	36,865.29	45,253.39	78,107.60	84,491.79	169,081.74
4	Expenses												
	(a) Cost of materials consumed	16,958.09	14,880.84	21,046.31	31,618.73	38,196.28	75,099.91	18,037.59	16,594.81	22,354.84	34,632.20	41,051.86	81,366.34
	(b) Purchases of stock-in-trade	-	-	-	-	-	-	-	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	837.36	1,209.33	(1,549.97)	2,046.89	(3,108.76)	(4,048.06)	969.05	779.03	(1,549.97)	1,748.08	(3,108.76)	(4,340.05)
	(d) Employee benefits expense	6,025.14	5,528.36	6,227.61	11,553.50	11,875.23	24,023.75	6,620.00	6,178.25	6,685.84	12,798.25	12,832.35	26,054.79
	(e) Finance costs	388.57	401.54	245.81	790.11	474.30	1,041.73	416.96	428.31	266.18	846.27	513.14	1,125.81
	(f) Depreciation and amortisation expense	1,814.82	1,714.21	1,579.51	3,529.03	3,012.29	6,397.44	1,919.75	1,821.83	1,878.42	3,741.58	3,205.24	6,805.39
	(g) Other expenses	9,442.79	8,605.73	10,858.72	18,048.52	21,404.01	42,918.27	9,892.00	9,231.95	11,308.37	19,123.95	22,344.78	45,022.85
	(h) Total expenses (a) to (h)	35,466.77	32,119.81	38,407.99	67,506.58	71,653.35	145,433.02	37,855.35	35,033.98	40,743.68	72,889.33	76,638.61	156,024.66
5	Profit before exceptional and extraordinary items and tax (3 - 4)	3,392.78	1,922.77	4,367.62	5,315.55	7,613.80	13,059.28	3,386.96	1,831.31	4,509.71	5,218.27	7,853.18	13,057.08
6	Exceptional Items (Refer Note.4)	516.90	229.75	-	746.65	-	1,204.97	516.90	229.75	-	746.65	-	1,204.97
7	Profit before extraordinary items and tax (5 + 6)	3,909.68	2,152.52	4,367.62	6,062.20	7,613.80	14,264.25	3,903.86	2,061.06	4,509.71	5,964.92	7,853.18	14,262.04
8	Extraordinary items	-	-	-	-	-	-	-	-	-	-	-	-
9	Profit before tax (7 + 8)	3,909.68	2,152.52	4,367.62	6,062.20	7,613.80	14,264.25	3,903.86	2,061.06	4,509.71	5,964.92	7,853.18	14,262.04
10	Tax expense												
	(a) Current tax	861.28	747.08	1,492.96	1,608.36	2,615.16	4,252.49	861.28	747.08	1,492.96	1,608.36	2,615.16	4,252.49
	(b) Deferred tax	(553.53)	(38.25)	74.33	(591.78)	40.02	346.58	(553.53)	(38.25)	74.33	(591.78)	40.02	346.58
11	Net Profit for the period (9 - 10)	3,601.93	1,443.69	2,800.13	5,045.62	4,958.62	9,665.18	3,596.11	1,352.23	2,942.42	4,948.34	5,198.00	9,662.97
12	Share of profit of associate	-	-	-	-	-	-	49.75	60.08	44.22	109.83	79.38	293.44
13	Net Profit after taxes and share of profit of associate (11 + 12)	3,601.93	1,443.69	2,800.13	5,045.62	4,958.62	9,665.18	3,645.86	1,412.31	2,986.64	5,058.17	5,277.38	9,956.41
	Net profit attributable to:												
	(a) Owners	-	-	-	-	-	-	3,647.29	1,434.74	2,961.75	5,082.03	5,218.67	9,956.95
	(b) Non Controlling interest	-	-	-	-	-	-	(1.43)	(22.43)	34.89	(23.86)	58.71	(0.54)
14	Other comprehensive income, net of Income-tax												
	(a) Items that will not be reclassified to Profit or Loss	33.86	612.86	234.69	646.72	830.01	(211.26)	33.86	612.86	234.69	646.72	830.01	(211.26)
	(b) Items that will be reclassified to Profit or Loss	-	-	-	-	-	-	-	-	-	-	-	-
	Total other comprehensive income, net of Income-tax	33.86	612.86	234.69	646.72	830.01	(211.26)	33.86	612.86	234.69	646.72	830.01	(211.26)
15	Total comprehensive income for the period (13 + 14)	3,635.79	2,056.55	3,034.82	5,692.34	5,788.63	9,453.92	3,679.72	2,025.17	3,221.33	5,704.89	6,107.39	9,745.15



(Rs. in Lakhs)

Sl. No.	Particulars	Quarter ended			Half-year ended		Year ended	Quarter ended			Half-year ended		Year ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		Standalone					Consolidated						
	Total comprehensive income attributable to:												
	(a) Owners	-	-	-	-	-	-	3,681.15	2,047.60	3,186.44	5,728.75	6,048.68	9,745.70
	(b) Non Controlling interest	-	-	-	-	-	-	(1.43)	(22.43)	34.89	(23.86)	58.71	(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	3,139.24	3,139.24
17	Reserves (excluding Revaluation Reserves as shown in the Audited Balance Sheet of the previous year)						60,437.20						66,597.82
18	Earnings per equity share (Rs.)												
	(i) Basic	11.47*	4.60*	8.92*	16.07*	15.80*	30.79	11.61*	4.57*	9.40*	18.19*	16.62*	31.72
	(ii) Diluted	11.47*	4.60*	8.92*	16.07*	15.80*	30.79	11.61*	4.57*	9.40*	18.19*	16.82*	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			Half-year ended		Year ended	Quarter ended			Half-year ended		Year ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		Standalone					Consolidated						
1	Segment Revenue												
	(Net Sale/Income from operations)												
	a) Transmission	32,662.03	26,729.66	33,782.33	59,291.69	62,685.15	124,693.15	32,562.03	26,729.66	33,782.33	59,291.69	62,685.15	124,693.15
	b) Metal Forming	6,251.85	7,230.95	8,934.36	13,482.80	16,411.71	33,517.28	6,634.61	10,053.66	11,412.34	18,588.27	21,536.35	44,106.72
	Total	38,813.88	33,960.61	42,696.69	72,774.49	79,096.86	158,210.43	41,196.64	36,783.32	45,174.67	77,979.96	84,321.50	168,799.87
	Less: Inter segment revenue	-	-	-	-	-	-	-	-	-	-	-	-
	Net Sales/Income from operations	38,813.88	33,960.61	42,696.69	72,774.49	79,096.86	158,210.43	41,196.64	36,783.32	45,174.67	77,979.96	84,321.50	168,799.87
2	Segment Results												
	(Profit/(Loss) before tax and interest)												
	a) Transmission	3,717.14	1,727.47	3,346.86	5,444.61	6,286.58	10,730.86	3,717.14	1,727.47	3,346.86	5,444.61	6,286.58	10,730.86
	b) Metal Forming	201.48	701.28	1,431.37	902.76	2,085.53	4,017.34	224.05	636.59	1,594.03	860.64	2,363.75	4,099.01
	Total	3,918.62	2,428.75	4,778.23	6,347.37	8,372.11	14,748.20	3,941.19	2,364.06	4,940.89	6,305.25	8,650.33	14,829.87
	Less: (i) Interest	288.57	401.54	245.81	790.11	474.30	1,041.73	418.96	428.31	266.18	845.27	513.14	1,125.61
	(ii) Other unallocable (income) / expenditure (net)	(379.63)	(125.31)	165.00	(504.94)	284.01	(557.78)	(379.63)	(125.31)	165.00	(504.94)	284.01	(557.78)
	Total Profit Before Tax	3,909.68	2,152.52	4,367.42	6,062.20	7,613.80	14,264.25	3,903.86	2,061.06	4,509.71	5,964.92	7,853.18	14,262.04



(Rs. in Lakhs)

Sl. No.	Particulars	Quarter ended			Half-year ended		Year ended	Quarter ended			Half-year ended		Year ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		Standalone						Consolidated					
3	Segment Assets												
	a) Transmission	70,659.40	68,514.78	69,607.63	70,659.40	69,607.63	69,308.86	70,659.40	68,514.78	69,607.63	70,659.40	69,607.63	69,308.86
	b) Metal Forming	26,874.37	28,067.55	30,596.21	26,874.37	30,596.21	29,897.77	35,316.74	36,938.27	39,768.79	35,316.74	39,768.79	38,589.29
	c) Unallocated	14,476.18	15,337.54	10,590.81	14,476.18	10,590.81	15,065.87	13,677.74	14,489.75	10,590.81	13,677.74	10,590.81	14,224.52
	Total	112,009.94	111,919.87	110,794.65	112,009.94	110,794.65	114,272.50	119,653.88	119,942.80	119,967.23	119,653.88	119,967.23	122,122.67
4	Segment Liabilities												
	a) Transmission	23,599.57	19,601.69	24,956.08	23,599.57	24,956.08	20,840.99	23,599.57	19,601.69	24,956.08	23,599.57	24,956.08	20,840.99
	b) Metal Forming	6,203.70	6,009.17	9,868.63	6,203.70	9,868.63	7,796.53	7,912.71	8,050.86	10,965.90	7,912.71	10,965.90	9,912.93
	c) Unallocated	14,830.13	20,676.00	16,058.78	14,830.13	16,058.78	22,058.54	17,722.69	23,645.60	20,572.85	17,722.69	20,572.85	24,770.93
	Total	44,633.40	46,286.86	50,883.49	44,633.40	50,883.49	50,696.06	49,234.97	51,298.15	56,494.83	49,234.97	56,494.83	55,524.85
5	Capital Employed												
	a) Transmission	47,059.83	48,913.09	44,651.55	47,059.83	44,651.55	48,467.87	47,059.83	48,913.09	44,651.55	47,059.83	44,651.55	48,467.87
	b) Metal Forming	20,670.67	22,058.38	20,727.58	20,670.67	20,727.58	22,101.24	27,404.03	28,887.41	28,802.89	27,404.03	28,802.89	28,676.36
	c) Unallocated	(353.96)	(5,338.46)	(5,467.97)	(353.96)	(5,467.97)	(6,992.67)	(4,044.95)	(9,155.85)	(9,982.04)	(4,044.95)	(9,982.04)	(10,546.41)
	Total	67,376.54	65,633.01	59,911.16	67,376.54	59,911.16	63,576.44	70,418.91	68,644.65	63,472.40	70,418.91	63,472.40	66,597.82



Statement of Assets and Liabilities

Rs. in Lakhs

	As at		As at	
	30.09.2019	31.03.2019	30.09.2019	31.03.2019
	Standalone		Consolidated	
A ASSETS				
1 Non-current assets				
Property, Plant and Equipments	53,344.07	47,410.85	57,175.59	51,415.38
Capital work-in-progress	682.39	3,605.79	863.70	3,670.92
Investment Property	48.37	49.37	48.37	49.37
Goodwill on amalgamation	-	-	1,430.62	1,448.68
Intangible assets	219.88	244.02	219.88	244.02
Financial assets				
(i) Investments	7,131.18	6,564.77	6,223.56	5,547.31
(ii) Other financial assets	1,272.34	1,182.83	1,272.34	1,182.83
Other non-current assets	2,426.36	2,160.24	2,426.36	2,160.24
	65,124.59	61,217.87	69,660.42	65,718.75
2 Current assets				
Inventories	25,290.51	28,954.81	26,869.38	30,671.52
Financial assets				
(i) Trade receivables	18,593.01	20,722.27	19,853.96	22,079.03
(ii) Cash and cash equivalents	664.04	819.66	751.21	862.23
(iii) Other bank balances	68.74	103.22	68.74	103.22
(iv) Other financial assets	76.35	70.06	76.36	70.06
Current tax Asset(Net)	733.49	815.25	842.68	991.36
Other current assets	388.93	498.87	460.84	556.01
	45,815.07	51,984.14	48,923.19	55,333.43
3 Asset held for Sale	1,070.28	1,070.49	1,070.28	1,070.49
Total Assets	112,009.94	114,272.50	119,653.89	122,122.67



Rs. in Lakhs

	As at		As at	
	30.09.2019	31.03.2019	30.09.2019	31.03.2019
	Standalone		Consolidated	
B EQUITY AND LIABILITIES				
1 Equity				
Share capital	3,139.24	3,139.24	3,139.24	3,139.24
Other Equity	64,237.30	60,437.20	67,279.67	63,458.58
Equity Attributable to Owners of the Company	67,376.54	63,576.44	70,418.91	66,597.82
Non-controlling interest	-	-	1,467.94	1,485.41
Total Equity	67,376.54	63,576.44	71,886.85	68,083.23
2 Liabilities				
Non-current liabilities				
Financial Liabilities				
(i) Borrowings	7,816.64	8,692.01	9,241.26	9,919.00
(ii) Other financial liabilities	1,536.06	-	1,536.06	-
Provisions	986.51	1,088.58	986.51	1,088.59
Deferred tax liabilities	1,457.75	2,017.22	1,457.75	2,017.22
Total Non-current Liabilities	11,796.96	11,797.81	13,221.58	13,024.81
3 Current liabilities				
Financial Liabilities				
(i) Borrowings	3,312.99	7,869.80	3,312.99	7,869.80
(ii) Trade payables	23,029.43	24,144.01	24,597.86	25,763.36
(iii) Other financial liabilities	4,062.48	4,993.92	4,203.06	5,490.95
Provision	20.38	37.71	20.38	37.71
Other current liabilities	2,411.16	1,852.81	2,411.17	1,852.81
Total Current Liabilities	32,836.44	38,898.25	34,545.46	41,014.63
Total Liabilities	112,009.94	114,272.50	119,653.89	122,122.67



Particulars	For the half-year ended 30 September, 2019	For the year ended 31 March, 2019
A. Cash flow from operating activities		
Net Profit before Tax	6,062.20	14,264.25
Adjustments for:		
Depreciation	3,529.03	6,397.44
Provision for Doubtful Debts	(31.05)	64.89
Profit/Loss on sale of assets	(746.06)	(1,211.22)
Assets condemned/Written off	32.27	53.83
Interest and Finance Charges	790.11	1,041.73
Interest Income	(33.21)	(74.61)
Dividend Income	(16.03)	(15.15)
	3,525.06	6,256.91
Operating profit before working capital changes	9,587.26	20,521.16
Changes in Working Capital		
Provisions - Non Current	10.55	(29.11)
Other Financial Assets - Non Current	(89.50)	(158.24)
Other Non Current Assets	(266.12)	(70.05)
Inventories	3,664.29	(4,826.74)
Trade Receivables	2,160.30	(2,742.90)
Other Financial Assets - Current	(6.31)	7.00
Other Current Assets	109.95	1,417.92
Trade Payables	(1,114.56)	(726.66)
Other financial liabilities	301.02	805.41
Current Liabilities	558.35	644.10
Provisions - Current	(17.33)	1.39
	5,310.66	(5,677.88)
Cash generated from operations	14,897.93	14,843.28
Income tax paid, net of refunds received	(1,526.60)	(5,061.36)
Net Cash generated from operating activities (A)	13,371.33	9,781.92
B. Cash flow from investing activities		
Capital expenditure, including capital advances	(6,614.09)	(19,330.31)
Proceeds from sale of fixed assets	814.38	1,233.10
Bank Balances not considered as cash and cash equivalents	34.48	139.16
Dividend income	16.03	15.15
Interest Income	33.21	74.61
Net cash used in investing activities (B)	(5,715.99)	(17,868.28)
C. Cash flow from financing activities		
Interest and Finance Charges	(790.11)	(1,041.73)
Dividend Paid including Tax	(1,887.95)	(1,697.36)
Lease Liability	1,536.06	-
Borrowings - Current and Non-current (Net)	(6,668.96)	11,029.51
Net cash used in financing activities (C)	(7,810.96)	8,290.40
Net (decrease)/increase in cash and cash equivalents (A) + (B) + (C)	(155.63)	204.07
Cash and Cash Equivalents at the beginning of the year	819.66	615.59
Cash and Cash Equivalents at the end of the year	664.04	819.66



Particulars	For the half year ended 30 September,2019	For the year ended 31 March,2019
A. Cash flow from operating activities		
Net Profit before Tax	5,964.92	14,262.04
Adjustments for:		
Depreciation	3,741.58	6,805.39
Provision for Doubtful Debts	(31.05)	64.89
Profit/Loss on sale of assets	(744.44)	(1,205.81)
Assets condemned/Written off	32.27	53.83
Interest and Finance Charges	845.27	1,125.61
Interest Income	(33.21)	(74.61)
Dividend Income	(16.03)	(15.15)
	3,794.38	6,754.15
Operating profit before working capital changes	9,759.30	21,016.19
Changes in Working Capital		
Provisions - Non Current	10.55	(29.09)
Other Financial Assets - Non Current	(89.51)	(158.24)
Other Non Current Assets	(266.12)	(31.39)
Inventories	3,802.14	(5,338.37)
Trade Receivables	2,256.10	(2,738.57)
Other Financial Assets - Current	(6.31)	6.99
Other Current Assets	95.17	1,368.56
Trade Payables	(1,156.47)	(310.43)
Other financial liabilities	301.02	876.25
Current Liabilities	558.36	573.27
Provisions - Current	(17.33)	1.39
	5,487.60	(5,779.63)
Cash generated from operations	15,246.91	15,236.56
Income tax paid, net of refunds received	(1,459.68)	(5,076.14)
Net Cash generated from operating activities (A)	13,787.24	10,160.42
B. Cash flow from Investing activities		
Capital expenditure, including capital advances	(6,771.42)	(19,509.39)
Proceeds from sale of fixed assets	814.37	1,232.33
Bank Balances not considered as cash and cash equivalents	34.48	139.16
Dividend income	16.03	15.15
Interest Income	33.21	74.62
Net cash used in Investing activities (B)	(5,873.32)	(18,048.13)
C. Cash flow from financing activities		
Interest and Finance Charges	(845.27)	(1,125.61)
Dividend Paid including Tax	(1,887.95)	(1,697.36)
Lease Liability	1,536.06	-
Borrowings - Current and Non-current (Net)	(6,827.79)	10,925.40
Net cash used in financing activities (C)	(8,024.93)	8,102.41
Net (decrease)/increase in cash and cash equivalents (A) + (B) + (C)	(111.01)	214.70
Cash and Cash Equivalents at the beginning of the year	862.23	647.53
Cash and Cash Equivalents at the end of the year	751.21	862.23

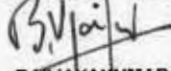


Notes:

- 1 The consolidated / standalone financial results of the Company for the quarter/half year ended 30th September, 2019 have been reviewed by the Audit Committee at their meeting held on 31st October, 2019 and have been approved by the Board of Directors at its meeting held on 31st October, 2019.
- 2 The above financial results of the Company for the quarter/half year ended 30th September, 2019 have been audited by the Statutory Auditors.
- 3 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.
- 4 Exceptional item represents Profit on sale of Land.
- 5 The Company has opted for reduced rate of income-tax pursuant to Taxation Law Amendment Ordinance, 2019. Accordingly, the deferred tax liability as at 30th September, 2019 has been re-measured and an amount of Rs.564.23 Lakhs is written back.
- 6 Previous period figures have been regrouped/reclassified to make them comparable with those of current period.

COIMBATORE
31.10.2019



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, COONOR, BENGALURU & KOCHI

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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, 2019, and the year to date results from 1st April, 2019 to 30th September, 2019 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, 2019 as well as the year to date results for the period from 1st April, 2019 to 30th September, 2019.



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 statement, whether due to fraud or error.



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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.



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- 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.



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

(Signature)
(R.Krishnamoorthy)

Partner

M.No.020695

UDIN: 19020695AAAABH9504

Place: Coimbatore
Date: 31-10-2019

SURI & CO.,

CHARTERED ACCOUNTANTS.

OFFICES :

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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"), and its share of the profit of its associate for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019 ("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 September 30, 2018 and the corresponding period from April 1, 2018 to September 30, 2018, 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 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);

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, 2019 and for the period from April 1, 2019 to September 30, 2019.

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 statement, 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 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.



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- 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 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 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. 8,551.56 lakhs as at 30 June, 2019, total revenue of Rs. 5,205.46 lakhs for the half year ended 30 June, 2019, and total loss of Rs. 97.27 lakhs for the half year ended 30 June, 2019, as considered in the consolidated financial results. The consolidated financial results also includes the Group's share of profit after tax of Rs. 109.83 lakhs for the half year ended 30 September, 2019, 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.



For Suri & Co,
Chartered Accountants,
Firm Registration No.: 0042838

A handwritten signature in black ink, appearing to read "R. Krishnamoorthy".

R. KRISHNAMOORTHY

Partner

(Membership No.:020695)

UDIN: 19020695AAAABI5954

Place: Coimbatore,

Date: 31.10.2019