



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-2020

31.01.2020

Dear Sirs,

Sub: Standalone & Consolidated Audited Financial Results for the third quarter / nine months ended 31st December, 2019.

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 third quarter / nine months ended 31st December, 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 January, 2020.

This is to inform that the Board meeting commenced at 2.30 P.M and concluded at 4.30 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/NINE MONTHS ENDED 31-12-2019

(Rs. in Lakhs)

Sl. No.	Particulars	Quarter ended			Nine months ended		Year ended	Quarter ended			Nine months ended		Year ended
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
		Standalone						Consolidated					
1	Revenue from operations	38,167.44	38,813.88	40,941.57	1,10,941.93	1,20,038.43	1,58,210.43	40,671.76	41,196.64	43,593.30	1,18,651.72	1,27,914.80	1,68,799.87
2	Other income	48.02	45.67	45.10	175.66	215.39	281.87	48.02	45.67	45.10	175.66	215.39	281.87
3	Total Revenue (1) + (2)	38,215.46	38,859.55	40,986.67	1,11,117.59	1,20,253.82	1,58,492.30	40,719.78	41,242.31	43,638.40	1,18,827.38	1,28,130.19	1,69,081.74
4	Expenses												
(a)	Cost of materials consumed	17,753.84	16,958.09	21,351.46	49,372.57	59,547.74	75,099.91	18,948.18	18,037.59	22,905.71	53,580.38	63,957.57	81,356.34
(b)	Purchases of stock-in-trade	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(845.19)	837.36	(3,107.94)	1,201.50	(6,216.70)	(4,048.08)	(842.49)	969.05	(3,107.94)	905.59	(6,216.70)	(4,340.05)
(d)	Employee benefits expense	6,171.13	6,025.14	8,497.40	17,724.63	18,172.63	24,023.75	6,789.17	6,620.00	7,015.38	19,587.42	19,647.71	26,054.73
(e)	Finance costs	333.81	388.57	234.38	1,123.92	708.66	1,041.73	365.15	416.96	255.85	1,210.42	768.99	1,125.61
(f)	Depreciation and amortisation expense	1,928.17	1,814.82	1,877.21	5,457.20	4,689.50	6,397.44	2,043.24	1,919.75	1,782.77	5,784.82	4,988.01	6,805.39
(g)	Other expenses	9,762.09	9,442.79	11,017.38	27,810.61	32,421.39	42,918.27	10,239.56	9,892.00	11,580.73	29,363.51	33,925.52	45,022.65
(h)	Total expenses (a) to (h)	35,103.85	35,466.77	37,669.87	1,02,690.43	1,09,323.22	1,45,433.02	37,542.81	37,855.35	40,432.50	1,10,432.14	1,17,071.10	1,56,024.66
5	Profit before exceptional and extraordinary items and tax (3 - 4)	3,111.61	3,392.78	3,316.80	8,427.16	10,930.60	13,059.28	3,176.97	3,386.96	3,205.90	8,395.24	11,059.09	13,057.08
6	Exceptional Items (Refer Note 4)	1,164.33	516.90	797.44	1,910.98	797.44	1,204.97	522.39	516.90	797.44	1,269.04	797.44	1,204.97
7	Profit before extraordinary items and tax (5 + 6)	4,275.94	3,909.68	4,114.24	10,338.14	11,728.04	14,264.25	3,699.36	3,903.86	4,003.34	9,664.28	11,856.53	14,262.04
8	Extraordinary Items	-	-	-	-	-	-	-	-	-	-	-	-
9	Profit before tax (7 + 8)	4,275.94	3,909.68	4,114.24	10,338.14	11,728.04	14,264.25	3,699.36	3,903.86	4,003.34	9,664.28	11,856.53	14,262.04
10	Tax expense												
(a)	Current tax	966.58	861.28	1,122.48	2,574.94	3,737.64	4,252.49	966.58	861.28	1,122.48	2,574.94	3,737.64	4,252.49
(b)	Deferred tax	(60.26)	(553.53)	68.65	(652.04)	108.87	346.58	(60.26)	(553.53)	68.65	(652.04)	108.87	346.58
11	Net Profit for the period (9 - 10)	3,369.62	3,601.93	2,923.11	8,415.24	7,881.73	9,665.18	2,793.04	3,596.11	2,812.21	7,741.38	8,010.22	9,662.97
12	Share of profit of associate	-	-	-	-	-	-	6.17	49.75	78.54	116.00	157.92	293.44
13	Net Profit after taxes and share of profit of associate (11 + 12)	3,369.62	3,601.93	2,923.11	8,415.24	7,881.73	9,665.18	2,799.21	3,645.86	2,890.75	7,857.38	8,168.14	9,956.41
	Net profit attributable to:												
(a)	Owners	-	-	-	-	-	-	2,783.19	3,647.29	2,917.95	7,865.21	8,136.63	9,956.95
(b)	Non Controlling interest	-	-	-	-	-	-	16.03	(1.43)	(27.20)	(7.83)	31.51	(0.54)
14	Other comprehensive Income, net of Income-tax												
(a)	Items that will not be reclassified to Profit or Loss	(619.89)	33.86	(381.99)	26.83	448.02	(211.26)	(619.89)	33.86	(381.99)	26.83	448.02	(211.26)
(b)	Items that will be reclassified to Profit or Loss	-	-	-	-	-	-	-	-	-	-	-	-
	Total other comprehensive income, net of income-tax	(619.89)	33.86	(381.99)	26.83	448.02	(211.26)	(619.89)	33.86	(381.99)	26.83	448.02	(211.26)
15	Total comprehensive income for the period (13 + 14)	2,749.73	3,635.79	2,541.12	8,442.07	8,329.75	9,453.92	2,179.32	3,679.72	2,508.76	7,884.21	8,616.16	9,745.15



(Rs. in Lakhs)

Sl. No.	Particulars	Quarter ended			Nine months ended		Year ended	Quarter ended			Nine months ended		Year ended
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
Standalone							Consolidated						
	Total comprehensive income attributable to:												
	(a) Owners	-	-	-	-	-	-	2,163.30	3,681.15	2,535.96	7,892.04	8,584.65	9,745.70
	(b) Non Controlling interest	-	-	-	-	-	-	16.03	(1.43)	(27.20)	(7.83)	31.51	(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	10.73*	11.47*	9.31*	26.81*	25.11*	30.79	8.87*	11.62*	9.30*	25.05*	25.92*	31.72
	(ii) Diluted	10.73*	11.47*	9.31*	26.81*	25.11*	30.79	8.87*	11.62*	9.30*	25.05*	25.92*	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			Nine months ended		Year ended	Quarter ended			Nine months ended		Year ended
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
Standalone							Consolidated						
1	Segment Revenue												
	(Net Sale/Income from operations)												
	a) Transmission	32,112.54	32,562.03	31,903.38	91,404.23	94,588.54	1,24,693.15	32,112.54	32,562.03	31,903.39	91,404.23	94,588.54	1,24,693.15
	b) Metal Forming	6,054.90	6,251.85	9,038.19	19,537.70	25,449.89	33,517.28	8,559.22	8,634.61	11,689.91	27,247.49	33,326.26	44,106.72
	Total	38,167.44	38,813.88	40,941.57	1,10,941.93	1,20,038.43	1,58,210.43	40,671.76	41,196.64	43,593.30	1,18,651.72	1,27,914.80	1,68,799.87
	Less: Inter segment revenue	-	-	-	-	-	-	-	-	-	-	-	-
	Net Sales/Income from operations	38,167.44	38,813.88	40,941.57	1,10,941.93	1,20,038.43	1,58,210.43	40,671.76	41,196.64	43,593.30	1,18,651.72	1,27,914.80	1,68,799.87
2	Segment Results												
	(Profit/(Loss) before tax and interest)												
	a) Transmission	3,249.53	3,717.14	2,661.08	8,694.14	8,947.66	10,730.86	3,249.53	3,717.14	2,661.08	8,694.14	8,947.66	10,730.86
	b) Metal Forming	367.03	201.48	1,034.60	1,269.79	3,120.14	4,017.34	-178.21	224.05	1,218.48	682.43	3,308.96	4,099.01
	Total	3,616.56	3,918.62	3,695.68	9,963.92	12,067.80	14,748.20	3,071.32	3,941.19	3,879.56	9,376.56	12,256.62	14,829.87
	Less: (i) Interest	333.81	388.57	234.36	1,123.92	708.66	1,041.73	365.15	418.96	255.85	1,210.42	768.99	1,125.61
	(ii) Other unallocable (income) / expenditure (net)	(993.19)	(379.63)	(652.92)	(1,498.13)	(368.90)	(557.78)	(993.19)	(379.63)	(379.63)	(1,498.13)	(368.90)	(557.78)
	Total Profit Before Tax	4,275.94	3,909.68	4,114.24	10,338.14	11,728.04	14,264.25	3,699.36	3,903.86	4,003.34	9,664.27	11,856.53	14,262.04



(Rs. in Lakhs)

Sl. No.	Particulars	Quarter ended			Nine months ended		Year ended	Quarter ended			Nine months ended		Year ended
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
		Standalone						Consolidated					
3	Segment Assets												
a)	Transmission	71,636.49	70,659.40	71,556.17	71,636.49	71,556.17	69,308.86	71,636.49	70,659.40	71,556.17	71,636.49	71,556.17	69,308.86
b)	Metal Forming	26,770.10	26,874.37	30,386.79	26,770.10	30,386.79	29,897.77	35,941.48	35,316.74	40,301.23	35,941.48	40,301.23	38,589.29
c)	Unallocated	12,976.79	14,476.17	10,567.45	12,976.79	10,567.45	15,065.87	11,545.39	13,677.74	10,567.45	11,545.39	10,567.45	14,224.52
	Total	1,11,383.38	1,12,009.94	1,12,510.41	1,11,383.38	1,12,510.41	1,14,272.50	1,19,123.36	1,19,653.88	1,22,424.85	1,19,123.37	1,22,424.85	1,22,122.67
4	Segment Liabilities												
a)	Transmission	22,925.67	23,599.57	23,787.47	22,925.67	23,787.47	20,840.99	22,925.67	23,599.57	23,787.47	22,925.67	23,787.47	20,840.99
b)	Metal Forming	6,299.45	6,203.70	8,210.98	6,299.45	8,210.98	7,796.53	8,707.90	7,912.71	9,917.14	8,707.90	9,917.14	9,912.93
c)	Unallocated	12,032.00	14,830.13	18,059.68	12,032.00	18,059.68	22,058.54	14,904.59	17,722.69	22,332.85	14,904.59	22,332.85	24,770.93
	Total	41,257.12	44,633.40	50,058.13	41,257.12	50,058.13	50,696.06	46,538.16	49,234.97	56,037.46	46,538.16	56,037.46	55,524.85
5	Capital Employed												
a)	Transmission	48,710.82	47,059.83	47,768.70	48,710.82	47,768.70	48,467.87	48,710.82	47,059.83	47,768.70	48,710.82	47,768.70	48,467.87
b)	Metal Forming	20,470.65	20,670.67	22,175.81	20,470.65	22,175.81	22,101.24	27,233.58	27,404.03	30,384.09	27,233.58	30,384.09	28,676.36
c)	Unallocated	944.78	(353.96)	(7,492.23)	944.78	(7,492.23)	(6,992.67)	(3,359.20)	(4,044.95)	(11,765.40)	(3,359.20)	(11,765.40)	(10,546.41)
	Total	70,126.25	67,376.54	62,452.28	70,126.25	62,452.28	63,576.44	72,585.20	70,418.91	66,387.39	72,585.20	66,387.39	66,597.82

Notes:

- 1 The consolidated / standalone financial results of the Company for the quarter/nine months ended 31st December, 2019 have been reviewed by the Audit Committee at their meeting held on 31st January, 2020 and have been approved by the Board of Directors at its meeting held on 31st January, 2020.
- 2 The above financial results of the Company for the quarter/nine months ended 31st December, 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 and Profit on sale of entire Investment in Renold Chain India Private Limited, an associate company.
- 5 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
31.01.2020



SURI & CO.,

CHARTERED ACCOUNTANTS,
OFFICES :

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

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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 31st December, 2019, and the year to date results from 1st April, 2019 to 31st December, 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 31st December, 2019 as well as the year to date results for the period from 1st April, 2019 to 31st December, 2019.

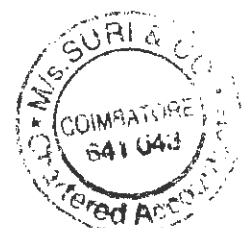


Basis for Opinion

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 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.

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.



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: 31-01-2020

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

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

(R. Krishnamoorthy)
Partner
M.No.020695

UDIN: 20020695 AAAAA F 3219

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 December 31, 2019 and for the period from April 1, 2019 to December 31, 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 December 31, 2018 and the corresponding period from April 1, 2018 to December 31, 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 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);
- 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 December 31, 2019 and for the period from April 1, 2019 to December 31, 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 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.

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 there under 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.

The respective Board of Directors of the companies included in the group and its associates are 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 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 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 revenue of Rs.7709.79 lakhs for the quarter ended 30 September, 2019, and total loss of Rs.31.92 lakhs for the quarter ended 30 September, 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 for the nine months ended 31 December, 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.



Place: Coimbatore
Date: 31-01-2020

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

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

R. KRISHNAMOORTHY
Partner

(Membership No.:020695)
UDIN: 20020695AAAAA E 3093