



L.G. BALAKRISHNAN & BROS LIMITED

LGB/SEC/STK-BM-2024

31.07.2024

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|--|--|
| 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 held on 31.07.2024

Ref: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)

The Board of Directors of the Company at its meeting held on **Wednesday, July, 31, 2024** 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 enclosing herewith the Standalone & Consolidated audited financial results for the quarter ended June 30, 2024 along with Auditors Report which were reviewed by the Audit Committee and approved by the Board of Directors of the Company. The Statutory Auditors has expressed an unmodified opinion on the said Standalone & Consolidated audited financial results.
2. Pursuant to provisions of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that at meeting of Board of Directors held on July 31, 2024, Board considered and take note of the retirement of Company's Independent Directors i.e. Mr. V.Govindarajulu (DIN: 00016108), Mr. P.Shanmugasundaram (DIN: 00119411) and Mr.R.Vidhya Shankar (DIN: 00002498) with effect from the closing the business hours on August 31, 2024 upon completion of their second term of Independent Directors. The disclosure required under Regulation 30 read with Schedule III of the Listing Regulations and the SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 read with SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, is given as **Annexure - A**.

Cont...2



L.G. BALAKRISHNAN & BROS LIMITED

(2)

The Board placed on record it's deep appreciation for the valuable contribution made by Mr.V.Govindarajulu, Mr.P.Shanmugasundaram and Mr.R.Vidhya Shankar during their tenure as an Independent Director of the Company.

This is to inform that the Board meeting commenced at 14.30 P.M (IST) and concluded at 18.30 P.M. (IST).

Kindly take the same on record

Thanking You,

Yours faithfully,

For L.G.Balakrishnan & Bros Limited

M.Lakshmi Kanth Joshi

Senior General Manager (Legal) and Company Secretary



L.G. BALAKRISHNAN & BROS LIMITED

Annexure - A

| Particulars | Retirement of Mr. Mr.V.Govindarajulu (DIN: 00016108, Independent Director from the Board of the Company | Retirement Mr. Mr.P.Shanmugasu ndaram (DIN: 00119411), Independent Director from the Board of the Company | Retirement of Mr.R.Vidhya Shankar (DIN: 00002498), Independent Director from the Board of the Company |
|---|--|--|--|
| Reason for change viz. appointment, re-appointment, resignation, removal, death or otherwise | Retirement on completion of his tenure of appointment as an Independent Director. | Retirement on completion of his tenure of appointment as an Independent Director. | Retirement on completion of his tenure of appointment as an Independent Director. |
| Date of appointment / re-appointment / cessation (as applicable) & term of appointment / re-appointment | Close of Working Hours on August 31, 2024 Terms of Appointment: Not Applicable | Close of Working Hours on August 31, 2024 Terms of Appointment: Not Applicable | Close of Working Hours on August 31, 2024 Terms of Appointment: Not Applicable |
| Brief Profile (in case of appointment) | Not Applicable | Not Applicable | Not Applicable |
| Disclosure of relationships between directors (in case of appointment of a director) | Not Applicable | Not Applicable | Not Applicable |

For L.G. BALAKRISHNAN & BROS LTD

M. LAKSHMI KANTH JOSHI
Sr. General Manager (Legal) & 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 ENDED 30-06-2024

Rs. In Lakhs

| Sl. No. | Particulars | Quarter ended | | | Year ended | Quarter ended | | | Year ended |
|---------|---|------------------|------------------|------------------|--------------------|------------------|------------------|------------------|--------------------|
| | | 30.06.2024 | 31.03.2024 | 30.06.2023 | 31.03.2024 | 30.06.2024 | 31.03.2024 | 30.06.2023 | 31.03.2024 |
| | | STANDALONE | | | | CONSOLIDATED | | | |
| 1 | Revenue from operations | 53,798.89 | 57,890.96 | 50,878.82 | 2,23,104.29 | 57,129.15 | 60,695.69 | 53,861.26 | 2,34,604.59 |
| 2 | Other Income | 1,421.08 | 1,167.93 | 1,027.16 | 4,911.55 | 1,412.03 | 1,198.98 | 1,027.16 | 4,942.60 |
| 3 | Total Income (1) + (2) | 55,219.97 | 59,058.89 | 51,905.98 | 2,28,015.84 | 58,541.18 | 61,894.67 | 54,888.42 | 2,39,547.19 |
| 4 | Expenses | | | | | | | | |
| | (a) Cost of materials consumed | 24,187.74 | 24,490.70 | 23,704.23 | 99,516.04 | 25,632.17 | 26,028.75 | 25,146.00 | 1,05,162.81 |
| | (b) Purchases of stock-in-trade | - | - | - | - | - | - | - | - |
| | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | (1,789.71) | 646.03 | (398.02) | 1,419.09 | (1,663.58) | 330.01 | (166.05) | 1,650.24 |
| | (d) Employee benefits expense | 8,931.52 | 8,995.53 | 7,671.93 | 33,170.28 | 9,971.26 | 9,712.73 | 8,409.05 | 36,160.12 |
| | (e) Finance costs | 191.48 | 253.04 | 151.73 | 719.04 | 219.20 | 281.31 | 171.46 | 807.72 |
| | (f) Depreciation and amortisation expense | 1,954.61 | 1,971.67 | 1,724.74 | 7,270.34 | 2,109.23 | 2,144.90 | 1,840.73 | 7,795.42 |
| | (g) Other expenses | 13,538.69 | 13,921.48 | 11,364.67 | 50,344.49 | 14,272.49 | 14,527.03 | 11,772.18 | 52,180.21 |
| | (h) Total expenses (a) to (g) | 47,014.33 | 50,278.45 | 44,219.28 | 1,92,439.28 | 50,540.77 | 53,024.73 | 47,173.36 | 2,03,756.52 |
| 5 | Profit/(Loss) before exceptional items and tax (3-4) | 8,205.64 | 8,780.44 | 7,686.70 | 35,576.56 | 8,000.41 | 8,869.94 | 7,715.05 | 35,790.67 |
| 6 | Exceptional Items (Refer Note.4) | 724.59 | 422.16 | (286.47) | 680.67 | 724.59 | 422.16 | (286.47) | 680.67 |
| 7 | Profit/(Loss) before tax (5 + 6) | 8,930.23 | 9,202.60 | 7,400.23 | 36,257.23 | 8,725.00 | 9,292.10 | 7,428.58 | 36,471.34 |
| 8 | Tax expense | | | | | | | | |
| | (a) Current tax | 2,331.80 | 2,378.34 | 2,047.26 | 9,566.53 | 2,331.80 | 2,378.38 | 2,047.26 | 9,581.39 |
| | (b) Deferred tax | (128.29) | 131.57 | (164.17) | (259.63) | (128.29) | 131.57 | (164.17) | (259.63) |
| 9 | Net Profit/(Loss) for the period (7-8) | 6,726.72 | 6,692.69 | 5,517.14 | 26,950.33 | 6,521.49 | 6,782.15 | 5,545.49 | 27,149.58 |
| 10 | Share of profit of associate | - | - | - | - | - | - | - | - |
| 11 | Net Profit/(Loss) after taxes and share of profit of associate (9+10) | 6,726.72 | 6,692.69 | 5,517.14 | 26,950.33 | 6,521.49 | 6,782.15 | 5,545.49 | 27,149.58 |
| | Net profit/(Loss) attributable to: | | | | | | | | |
| | (a) Owners | - | - | - | - | 6,523.03 | 6,785.98 | 5,544.36 | 27,134.21 |
| | (b) Non Controlling interest | - | - | - | - | (1.54) | (3.84) | 1.13 | 15.37 |
| 12 | Other comprehensive Income, net of Income-tax | | | | | | | | |
| | (a) Items that will not be reclassified to Profit or Loss | 3,492.80 | 205.90 | 2,576.68 | 3,836.77 | 3,487.00 | 200.10 | 2,576.68 | 3,830.97 |
| | (b) Items that will be reclassified to Profit or Loss | - | - | - | - | 4.48 | 2.54 | 0.00 | 27.82 |
| | Total other comprehensive income, net of income-tax | 3,492.80 | 205.90 | 2,576.68 | 3,836.77 | 3,491.48 | 202.64 | 2,576.68 | 3,858.79 |
| 13 | Total comprehensive income for the period (11 + 12) | 10,219.52 | 6,898.59 | 8,093.82 | 30,787.10 | 10,012.97 | 6,984.79 | 8,122.17 | 31,008.36 |



| | | Rs. In Lakhs | | | | | | | |
|---------|--|---------------|------------|------------|-------------|---------------|------------|------------|-------------|
| Sl. No. | Particulars | Quarter ended | | | Year ended | Quarter ended | | | Year ended |
| | | 30.06.2024 | 31.03.2024 | 30.06.2023 | 31.03.2024 | 30.06.2024 | 31.03.2024 | 30.06.2023 | 31.03.2024 |
| | | STANDALONE | | | | CONSOLIDATED | | | |
| | Total comprehensive income attributable to: | | | | | | | | |
| | (a) Owners | - | - | - | - | 10,014.51 | 6,988.63 | 8,121.04 | 30,993.00 |
| | (b) Non Controlling interest | - | - | - | - | (1.54) | (3.84) | 1.13 | 15.37 |
| 14 | 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 |
| 15 | Reserves (excluding Revaluation Reserves as shown in the Audited Balance Sheet of the previous year) | | | | 1,31,286.94 | | | | 1,33,393.79 |
| 16 | Earnings per equity share (Rs.) | | | | | | | | |
| | (i) Basic | 21.43* | 21.32* | 17.57* | 85.85 | 20.78* | 21.62* | 17.66* | 86.44 |
| | (ii) Diluted | 21.43* | 21.32* | 17.57* | 85.85 | 20.78* | 21.62* | 17.66* | 86.44 |
| | * 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 |
| | | 30.06.2024 | 31.03.2024 | 30.06.2023 | 31.03.2024 | 30.06.2024 | 31.03.2024 | 30.06.2023 | 31.03.2024 |
| | | STANDALONE | | | | CONSOLIDATED | | | |
| 1 | Segment Revenue | | | | | | | | |
| | (Net Sale/Income from operations) | | | | | | | | |
| | a) Transmission | 43,598.77 | 47,986.76 | 41,383.22 | 1,85,139.54 | 43,598.77 | 47,986.75 | 41,383.22 | 1,85,139.53 |
| | b) Metal Forming | 10,200.12 | 9,904.20 | 9,495.60 | 37,964.75 | 13,530.38 | 12,708.94 | 12,478.04 | 49,465.06 |
| | Total | 53,798.89 | 57,890.96 | 50,878.82 | 2,23,104.29 | 57,129.15 | 60,695.69 | 53,861.26 | 2,34,604.59 |
| | Less: Inter segment revenue | - | - | - | - | - | - | - | - |
| | Net Sales/Income from operations | 53,798.89 | 57,890.96 | 50,878.82 | 2,23,104.29 | 57,129.15 | 60,695.69 | 53,861.26 | 2,34,604.59 |
| 2 | Segment Results | | | | | | | | |
| | (Profit/(Loss) before tax and interest) | | | | | | | | |
| | a) Transmission | 7,445.98 | 7,741.92 | 6,671.34 | 31,682.08 | 7,445.98 | 7,741.92 | 6,671.34 | 31,682.08 |
| | b) Metal Forming | 1,357.44 | 1,672.45 | 1,208.75 | 5,816.44 | 1,179.93 | 1,790.22 | 1,256.83 | 6,119.23 |
| | Total | 8,803.42 | 9,414.37 | 7,880.09 | 37,498.52 | 8,625.91 | 9,532.14 | 7,928.17 | 37,801.31 |
| | Less: (i) Interest | 191.48 | 253.04 | 151.73 | 719.04 | 219.20 | 281.31 | 171.46 | 807.72 |
| | (ii) Other unallocable (income) / expenditure (net) | (318.29) | (41.27) | 328.13 | 522.25 | (318.29) | (41.27) | 328.13 | 522.25 |
| | Total Profit/(Loss) Before Tax | 8,930.23 | 9,202.60 | 7,400.23 | 36,257.23 | 8,725.00 | 9,292.10 | 7,428.58 | 36,471.34 |



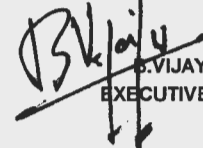
Rs. In Lakhs

| Sl. No. | Particulars | Quarter ended | | | Year ended | Quarter ended | | | Year ended |
|----------|----------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | | 30.06.2024 | 31.03.2024 | 30.06.2023 | 31.03.2024 | 30.06.2024 | 31.03.2024 | 30.06.2023 | 31.03.2024 |
| | | STANDALONE | | | | CONSOLIDATED | | | |
| 3 | Segment Assets | | | | | | | | |
| a) | Transmission | 1,33,379.13 | 1,26,051.95 | 1,35,100.84 | 1,26,051.95 | 1,33,379.13 | 1,26,051.95 | 1,35,100.84 | 1,26,051.95 |
| b) | Metal Forming | 33,405.67 | 30,713.18 | 29,588.01 | 30,713.18 | 46,448.11 | 43,879.52 | 38,481.86 | 43,879.52 |
| c) | Unallocated | 60,731.49 | 60,421.97 | 28,159.06 | 60,421.97 | 54,042.42 | 53,734.71 | 24,901.93 | 53,734.71 |
| | Total | 2,27,516.29 | 2,17,187.10 | 1,92,847.91 | 2,17,187.10 | 2,33,869.66 | 2,23,666.18 | 1,98,484.63 | 2,23,666.18 |
| 4 | Segment Liabilities | | | | | | | | |
| a) | Transmission | 31,329.35 | 33,075.72 | 28,489.73 | 33,075.72 | 31,329.35 | 33,075.72 | 28,489.73 | 33,075.72 |
| b) | Metal Forming | 11,878.49 | 11,180.99 | 10,984.76 | 11,180.99 | 14,459.43 | 13,707.04 | 13,253.01 | 13,707.04 |
| c) | Unallocated | 12,283.44 | 11,124.91 | 10,853.41 | 11,124.91 | 13,942.48 | 12,765.34 | 12,073.02 | 12,765.34 |
| | Total | 55,491.28 | 55,381.62 | 50,327.90 | 55,381.62 | 59,731.26 | 59,548.10 | 53,815.76 | 59,548.10 |
| 5 | Capital Employed | | | | | | | | |
| a) | Transmission | 1,02,049.78 | 92,976.23 | 1,06,611.11 | 92,976.23 | 1,02,049.78 | 92,976.23 | 1,06,611.11 | 92,976.23 |
| b) | Metal Forming | 21,527.18 | 19,532.19 | 18,603.25 | 19,532.19 | 31,988.68 | 30,172.48 | 25,228.85 | 30,172.48 |
| c) | Unallocated | 48,448.05 | 49,297.06 | 17,305.65 | 49,297.06 | 40,099.94 | 40,969.37 | 12,828.91 | 40,969.37 |
| | Total | 1,72,025.01 | 1,61,805.48 | 1,42,520.01 | 1,61,805.48 | 1,74,138.40 | 1,64,118.08 | 1,44,668.87 | 1,64,118.08 |

Notes:

- 1 The consolidated / standalone financial results of the Company for the quarter ended 30th June, 2024 have been reviewed by the Audit Committee at their meeting held on 31st July, 2024 and have been approved by the Board of Directors at its meeting held on 31st July, 2024.
- 2 The above financial results of the Company for the quarter ended 30th June, 2024 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 RSAL Steel Private Limited.
- 4 Exceptional item represents Subsidy received.
- 5 The Company has acquired a Plant at Pondicherry under Slump sale agreement from M/s.LGB Forge Limited as on 1st April, 2024 for a consideration of Rs.1,500 lakhs on a going concern basis.
- 6 Statement of Deviation or variation in the use of proceeds of preferential issue of fully convertible warrants for the quarter ended on June 30, 2024 is annexed.
- 7 The Code on Social Security 2020 has been notified in the Official Gazette on 29th September 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact, if any of the change will be assessed and accounted in the period in which the said Code becomes effective and the rules framed thereunder are published.
- 8 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


S.VIJAYAKUMAR
EXECUTIVE CHAIRMAN

COIMBATORE
31.07.2024

**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 ended 30th June, 2024, 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, the 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 Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under section 133 of the Companies Act, 2013 (the "Act") read with the relevant rules issued thereunder 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 ended 30th June, 2024.

Basis for Opinion

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



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Coimbatore - 641 043.



GSTIN - 33AABFS5023Q1Z2

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 and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, 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:



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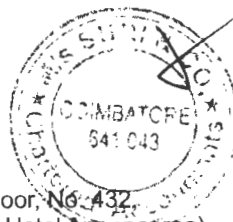
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Mettupalayam Road (Near Hotel Annapoorna)
Coimbatore - 641 043.



GSTIN - 33AABFS5023Q1Z2

- 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.
- Obtain sufficient and appropriate audit evidence regarding the standalone financial results of the company to express an opinion on the standalone financial results.

Materiality is the magnitude of misstatements in the standalone financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial results.



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GSTIN - 33AABFS5023Q1Z2

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



M.SIVARAM

Partner

M.No.211916

UDIN: 24211916BKATIS8352

Place : Coimbatore

Date : 31-07-2024



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Coimbatore - 641 043.

GSTIN - 33AABFS5023Q1Z2

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

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

Opinion

We have audited the accompanying Statement of Consolidated Financial Results of **L.G. BALAKRISHNAN & BROS LIMITED** ("the Holding Company") and its subsidiaries (the holding Company and its subsidiaries together referred to as "the Group") for the quarter ended June 30, 2024 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

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

a) includes the results of the following entities:

- (i) LGB-USA, INC. (Subsidiary);
- (ii) GFM Acquisition LLC (Step-Down Subsidiary);
- (iii) GFM LLC (Step-Down Subsidiary)
- (iv) RSAL Steel Private Limited (Wholly owned Subsidiary)

b) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and

c) gives a true and fair view, in conformity with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34) prescribed under section 133 of the Companies Act, 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the Consolidated net profit, consolidated total comprehensive income and other financial information of the Group for the quarter ended June 30, 2024.



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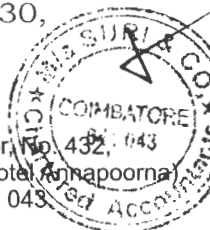
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GSTIN - 33AABFS5023Q1Z2

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of 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 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 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 and other comprehensive income and other financial information of the group in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act 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 Management and the Board of Directors of the companies included in the Group 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 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



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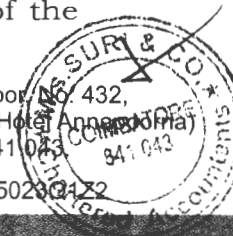


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consolidated financial results by the Management and the Board of Directors of the holding company, as aforesaid.

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

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

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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



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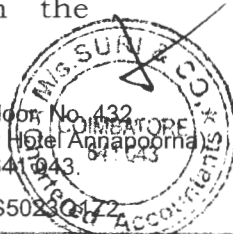


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circumstances, but not for the purpose of expressing an opinion on the effectiveness such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the group to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the 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 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.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.



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Materiality is the magnitude of misstatements in the consolidated financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial results.

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.

Other Matters

1. The consolidated financial results includes' the audited financial information of its domestic wholly owned subsidiary, "RSAL Steel Private Limited" which is audited by other auditors, whose financial statements reflect total assets of Rs. 3,448.18 Lakhs as at 30th June, 2024, total revenues of Rs.576.95 Lakhs, total net loss of Rs.169.04 Lakhs for the quarter ended 30th June, 2024, as considered in the consolidated financial results. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated in the above paragraph.



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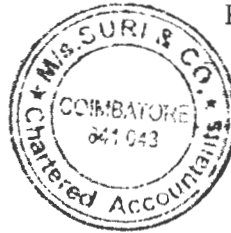
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2. The consolidated financial results includes the unaudited financial information of its foreign subsidiary and two step down subsidiary, whose financial information reflects total assets of Rs.9,425.43 lakhs as at 31 March, 2024, total revenue of Rs. 2,894.20 lakhs, total net loss of Rs. 36.20 lakhs for the quarter ended 31 March, 2024, as considered in the consolidated financial results. 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 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 Regn No.004283S



M.SIVARAM
Partner

M.No.211916

UDIN: 24211916BKATIT2427

Place : Coimbatore
Date : 31-07-2024



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