



L.G. BALAKRISHNAN & BROS LIMITED

LGB/SEC/STK-BM-2021

31.07.2021

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Scrip Code: 500250	National Stock Exchange of India Limited "Exchange Plaza" Bandra Kurla Complex Bandra (E), Mumbai - 400 051 Scrip Code: LGBBROSLTD
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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 Saturday, July, 31, 2021, had inter-alia considered and approved the following:

1. Pursuant to Regulation 33 of the Listing Regulations we are enclosing herewith Audited Standalone & Consolidated financial results for the quarter / three months ended June 30, 2021 along with Auditors Report which was reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on today i.e. the July 31, 2021.
2. Based on the recommendation of the Nomination and Remuneration Committee and the approval of the Audit Committee, and subject to the approval of the shareholders at the ensuing Annual General Meeting, the Board of Directors have approved the appointment of Dr.Vinay Balaji Naidu DIN: (09232643) as Additional Director (non executive Independent Director) with effect from today ie. July 31, 2021. Dr.Vinay Balaji Naidu is not debarred from holding the office of director by virtue of any order of SEBI or any other authority. The brief profile of Dr.Vinay Balaji Naidu is enclosed herewith.

Cont. 2





L.G. BALAKRISHNAN & BROS LIMITED

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3. Based on the recommendation of the Nomination and Remuneration Committee and the approval of the Audit Committee, and subject to the approval of the shareholders at the ensuing Annual General Meeting, the Board of Directors have approved the appointment of Sri.Rajiv Parthasarathy DIN: (02495329) as Wholetime Director (designated as Senior Vice President Operations) of the Company for a period of 3 years with effect from August 01, 2021. The brief profile of Sri.Rajiv Parthasarathy is enclosed herewith.

This is to inform that the Board meeting commenced at 3.15 P.M and concluded at 5.10 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



L.G. BALAKRISHNAN & BROS LIMITED

Annexure

Information about appointment of new Director : Dr.Vinay Balaji Naidu

Reason for change viz. appointment, resignation, removal, death or otherwise	Appointment of Dr.Vinay Balaji Naidu DIN: (09232643) as an Additional Director in an Independent Director capacity subject to approval of the Shareholders at the ensuing Annual General Meeting.
Date of appointment & term of appointment	<u>Date of appointment</u> : July 31, 2021 Five years commencing from July 31, 2021 to July 30, 2026
Brief Profile (in case of appointment)	Dr.Vinay Balaji Naidu aged 43 years is a Master of Dental Surgery (MDS). He is having around 10 years of experience in the General Administration.
Disclosure of relationships between directors (in case of appointment of a director)	None of the Directors is related to each other personally, financially or otherwise

Appointment of Wholetime Director : Sri.Rajiv Parthasarathy

Reason for change viz. appointment, resignation, removal, death or otherwise	Sri.Rajiv Parthasarathy DIN: (02495329) is appointed as Wholetime Director (designated as Senior Vice President Operations) subject to approval of the Shareholders at the ensuing Annual General Meeting.
Date of appointment & term of appointment	<u>Date of appointment</u> : August 01, 2021 Three years commencing from August 01, 2021 to July 31, 2024.
Brief Profile (in case of appointment)	Sri.Rajiv Parthasarathy aged 44 years is an engineering graduate and has more than 20 years experience with specialization in Industrial Management and has wide experience in Operations and marketing.
Disclosure of relationships between directors (in case of appointment of a director)	Sri.B.Vijayakumar's daughter's Husband and Spouse of Smt.V.Rajsri.

For L.G. BALAKRISHNAN & BROS LTD.

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 30-06-2021

Rs. in Lakhs

Sl. No.	Particulars	Quarter ended			Year ended	Quarter ended			Year ended
		30.06.2021	31.03.2021	30.06.2020	31.03.2021	30.06.2021	31.03.2021	30.06.2020	31.03.2021
		STANDALONE				CONSOLIDATED			
1	Revenue from operations	36,753.97	47,937.34	17,256.25	1,53,147.43	39,255.16	49,908.09	19,462.52	1,60,899.28
2	Other Income	174.11	315.79	39.89	696.81	397.92	315.79	39.89	696.81
3	Total Revenue (1) + (2)	36,928.08	48,253.13	17,296.14	1,53,844.24	39,653.08	50,223.88	19,502.41	1,61,596.09
4	Expenses								
	(a) Cost of materials consumed	18,116.11	24,007.64	5,424.29	68,409.18	19,501.31	24,744.65	6,630.62	73,213.57
	(b) Purchases of stock-in-trade	-	-	-	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,996.43)	(2,947.27)	3,669.67	680.62	(3,164.12)	(2,975.22)	3,358.35	787.33
	(d) Employee benefits expense	6,423.67	6,821.51	3,082.32	22,729.05	7,031.04	7,162.24	3,696.73	24,815.75
	(e) Finance costs	148.47	180.69	263.77	920.71	160.85	195.51	291.52	1,004.20
	(f) Depreciation and amortisation expense	1,904.62	1,932.17	1,911.31	7,749.26	2,046.66	2,075.02	2,048.33	8,331.80
	(g) Other expenses	9,328.19	11,424.98	3,745.99	35,169.48	9,760.98	12,105.74	4,334.13	36,994.04
	(h) Total expenses (a) to (h)	32,924.63	41,419.72	18,097.35	1,35,658.30	35,336.72	43,307.92	20,359.68	1,44,946.69
5	Profit/(Loss) before exceptional and extraordinary items and tax (3 - 4)	4,003.45	6,833.41	(801.21)	18,185.94	4,316.36	6,915.95	(857.27)	16,649.40
6	Exceptional Items (Refer Note.4)	0.00	847.43	47.56	1,362.26	0.00	847.43	47.56	1,362.26
7	Profit/(Loss) before extraordinary items and tax (5 + 6)	4,003.45	7,680.84	(753.65)	19,548.20	4,316.36	7,763.39	(809.71)	18,011.66
8	Extraordinary Items	-	-	-	-	-	-	-	-
9	Profit/(Loss) before tax (7 + 8)	4,003.45	7,680.84	(753.65)	19,548.20	4,316.36	7,763.39	(809.71)	18,011.66
10	Tax expense								
	(a) Current tax	1,191.51	1,725.73	-	4,950.90	1,191.51	1,725.73	-	4,950.90
	(b) Deferred tax	(184.07)	235.50	(200.63)	(223.43)	(184.07)	235.50	(200.63)	(223.43)
11	Net Profit/(Loss) for the period (9 - 10)	2,996.01	5,719.61	(553.02)	14,820.73	3,308.92	5,802.16	(609.08)	13,284.19
12	Share of profit of associate	-	-	-	-	-	-	-	-
13	Net Profit/(Loss) after taxes and share of profit of associate (11 + 12)	2,996.01	5,719.61	(553.02)	14,820.73	3,308.92	5,802.16	(609.08)	13,284.19
	Net profit/(Loss) attributable to:								
	(a) Owners	-	-	-	-	3,296.40	5,798.85	(606.70)	13,345.65
	(b) Non Controlling interest	-	-	-	-	12.52	3.30	(2.38)	(61.46)
14	Other comprehensive Income, net of Income-tax								
	(a) Items that will not be reclassified to Profit or Loss	1,689.95	2,768.30	798.47	4,027.73	1,689.95	2,768.30	798.47	4,027.73
	(b) Items that will be reclassified to Profit or Loss	-	-	-	-	-	-	-	-
	Total other comprehensive income, net of income-tax	1,689.95	2,768.30	798.47	4,027.73	1,689.95	2,768.30	798.47	4,027.73
15	Total comprehensive income for the period (13 + 14)	4,685.96	8,487.91	245.45	18,848.46	4,998.87	8,570.46	189.39	17,311.91

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						Rs. In Lakhs			
Sl. No.	Particulars	Quarter ended			Year ended	Quarter ended			Year ended
		30.06.2021	31.03.2021	30.06.2020	31.03.2021	30.06.2021	31.03.2021	30.06.2020	31.03.2021
		STANDALONE				CONSOLIDATED			
	Total comprehensive income attributable to:								
	(a) Owners	-	-	-	-	4,986.35	8,567.13	191.77	17,373.37
	(b) Non Controlling interest	-	-	-	-	12.52	3.30	(2.38)	(61.46)
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
17	Reserves (excluding Revaluation Reserves as shown in the Audited Balance Sheet of the previous year)	-	-	-	64,911.39	-	-	-	67,474.50
18	Earnings per equity share (Rs.)								
	(i) Basic	9.54*	18.22*	-1.76*	47.21	10.50*	18.47*	-1.93*	42.51
	(ii) Diluted	9.54*	18.22*	-1.76*	47.21	10.50*	18.47*	-1.93*	42.51
	* not annualised								
	See accompanying notes to the Financial Results								

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

Sl. No.	Particulars	Quarter ended			Year ended	Quarter ended			Year ended
		30.06.2021	31.03.2021	30.06.2020	31.03.2021	30.06.2021	31.03.2021	30.06.2020	31.03.2021
		STANDALONE				CONSOLIDATED			
1	Segment Revenue (Net Sale/Income from operations)								
	a) Transmission	30,240.38	40,057.39	14,832.88	1,30,205.89	30,240.38	40,057.39	14,832.88	1,30,205.89
	b) Metal Forming	6,513.59	7,879.95	2,423.37	22,941.54	9,014.78	9,850.70	4,629.64	30693.39
	Total	36,753.97	47,937.34	17,256.25	1,53,147.43	39,255.16	49,908.09	19,462.52	1,60,899.28
	Less: Inter segment revenue	-	-	-	-	-	-	-	-
	Net Sales/Income from operations	36,753.97	47,937.34	17,256.25	1,53,147.43	39,255.16	49,908.09	19,462.52	1,60,899.28
2	Segment Results (Profit/(Loss) before tax and interest)								
	a) Transmission	3,547.10	6,513.63	256.27	18,166.18	3,547.10	6,513.63	256.27	18,166.18
	b) Metal Forming	823.57	821.25	(696.00)	1,877.87	1,148.86	918.62	(724.31)	424.82
	Total	4,370.67	7,334.88	(439.73)	20,044.05	4,695.96	7,432.25	(468.04)	18,591.00
	Less: (i) Interest	148.47	180.69	263.77	920.71	180.85	195.51	291.52	1,004.20
	(ii) Other unallocable (income) / expenditure (net)	218.75	(526.65)	50.15	(424.88)	218.75	(526.65)	50.15	(424.86)
	Total Profit/(Loss) Before Tax	4,003.45	7,680.84	(753.65)	19,548.20	4,316.36	7,763.39	(809.71)	18,011.66



Sl. No.	Particulars	Rs. In Lakhs							
		Quarter ended			Year ended	Quarter ended			Year ended
		30.06.2021	31.03.2021	30.06.2020	31.03.2021	30.06.2021	31.03.2021	30.06.2020	31.03.2021
		STANDALONE				CONSOLIDATED			
3	Segment Assets								
a)	Transmission	87,140.78	87,551.46	62,443.34	87,551.46	87,140.78	87,551.46	62,443.34	87,551.46
b)	Metal Forming	25,390.19	26,166.81	22,646.58	26,166.81	34,361.17	34,621.27	32,913.03	34,621.27
c)	Unallocated	18,084.06	16,822.69	13,368.08	16,822.69	14,826.92	13,565.56	10,450.98	13,565.56
	Total	1,30,615.03	1,30,540.96	98,458.00	1,30,540.96	1,36,328.87	1,35,738.28	1,05,807.35	1,35,738.28
4	Segment Liabilities								
a)	Transmission	24,356.25	28,023.12	14,981.43	28,023.12	24,356.25	28,023.12	14,981.43	28,023.12
b)	Metal Forming	7,399.73	8,420.69	3,388.98	8,420.69	10,480.01	11,414.61	6,656.61	11,414.61
c)	Unallocated	7,274.00	7,198.05	11,791.51	7,198.05	8,007.38	8,361.74	13,450.57	8,361.74
	Total	39,029.98	43,641.87	30,161.92	43,641.87	42,843.64	47,799.46	35,088.61	47,799.46
5	Capital Employed								
a)	Transmission	62,784.53	59,528.33	47,461.91	59,528.33	62,784.53	59,528.33	47,461.91	59,528.33
b)	Metal Forming	17,990.46	17,746.12	19,257.60	17,746.12	23,881.16	23,206.66	26,256.42	23,206.66
c)	Unallocated	10,810.06	9,624.64	1,576.57	9,624.64	6,819.54	5,203.82	(2,999.59)	5,203.82
	Total	91,585.05	86,899.09	68,296.08	86,899.09	93,485.23	87,938.82	70,718.74	87,938.82

Notes:

- 1 The consolidated / standalone financial results of the Company for the quarter ended 30th June, 2021 have been reviewed by the Audit Committee at their meeting held on 31st July, 2021 and have been approved by the Board of Directors at its meeting held on 31st July, 2021.
- 2 The above financial results of the Company for the quarter ended 30th June, 2021 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.
- 4 In assessing the recoverability of company's assets such as Property Plant and Equipment, Investments, Trade Receivables, Inventories etc in view of Covid 19 outbreak, the company has considered available information upto the date of approval of these financial results to arrive at its estimates. The company has evaluated its liquidity position, recoverability of such assets and based on the current estimates expects that the carrying amount of these assets would be recovered.
- 5 The Committee of Creditors of RSAL Steel P Ltd Ltd (RSAL), through a Letter of Intent (LOI) have declared LG Balakrishnan & Bros Ltd as the successful bidder for RSAL, under the Insolvency & Bankruptcy code 2016. The implementation of the resolution plan is subject to the terms of the LOI and requisite approval from regulatory authorities.
- 6 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.
- 7 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. VIJAYAKUMAR
CHAIRMAN AND MANAGING DIRECTOR

COIMBATORE
31.07.2021



SURI & CO.,

CHARTERED ACCOUNTANTS,

OFFICES :

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

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

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

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

Opinion

We have audited the accompanying standalone interim financial results of **L.G.Balakrishnan & Bros. Limited ("the Company")** for the quarter ended 30th June, 2021 ("the statement") 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 interim 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 June, 2021.

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 interim 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 interim 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 standalone interim financial results have been prepared on the basis of the standalone 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 loss 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 interim 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 interim 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 Interim Financial Results:

Our objectives are to obtain reasonable assurance about whether the standalone interim 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 interim 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 interim 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 Directors' 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 interim 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 Registration No.: 004283S


M. Sivaram

Partner

Membership No.: 211916
UDIN: 21211916AAAAOL5637

Place: Coimbatore

Date: 31-07-2021

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 THE CONSOLIDATED INTERIM FINANCIAL RESULTS

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

Opinion

We have audited the accompanying Statement of Consolidated Interim 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, 2021 ("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);

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 June 30, 2021.



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 interim 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 Interim Financial Results:

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

The Holding Company's Board of Directors are responsible for the preparation of these consolidated interim financial results that give a true and fair view of the net loss and other comprehensive income and other financial information of the group 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 are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the group 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 interim 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 interim financial results by the directors of the holding company, as aforesaid.

In preparing the consolidated interim financial results, the respective Board of Directors of the companies included in the group are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to



liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

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

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



are required to draw attention in our auditor's report to the related disclosures in the consolidated interim 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 interim financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated interim Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated interim financial results of which we are the independent auditors. For the other entities included in the consolidated interim 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 interim 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 interim financial results includes the unaudited financial information of three subsidiaries, whose financial information reflect total revenue of Rs.2,725.00 lakhs for the quarter ended 31 March, 2021, and total Profit of Rs.312.91 lakhs for the quarter ended 31 March, 2021, as considered in the consolidated interim financial results. These financial



information are unaudited and have been furnished to us by the Management and our opinion on the Statement, insofar 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 interim 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.: 004283S

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

M. Sivaram
Partner
Membership No.: 211916
UDIN: 21211916AAAAOM5576

Place: Coimbatore
Date: 31-07-2021