



L.G. BALAKRISHNAN & BROS LIMITED

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

LGB/SEC/AGM/STK-2024

05.08.2024

Dear Sirs,

Sub: Annual Report and Notice of 68th Annual General Meeting ('AGM') of the Company for the financial year 2023-2024.

This is in continuation to our letter dated April, 30, 2024 informing that the Company has scheduled its **68th Annual General Meeting ("AGM")** on **Thursday, August 29, 2024** through Video-Conferencing/Other Audio-Video Means in accordance with the relevant circulars issued by the Ministry of Corporate Affairs ("MCA") and Securities and Exchange Board of India ("SEBI").

In terms of the requirements of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report along with Notice of Annual General Meeting (AGM) for the Financial Year 2023-2024, which is being sent through electronic mode to the Members.

The Annual Report for the Financial Year 2023-24 along with the Notice of the AGM is also made available on the website of the Company, viz., <https://www.lgb.co.in/investor-relations/annual-reports/>.

Kindly take the same on record

Thanking You,

Yours faithfully,

For L.G.Balakrishnan & Bros Limited

M.Lakshmi Kanth Joshi

Senior General Manager (Legal) & Company Secretary

CC: National Securities Depository Limited
Trade World, A Wing
Kamala Mills Compound, Lower Parel
Mumbai - 400013.

Central Depository Services (India) Limited.
16th Floor, P. J. Towers,
Dalal Street, Fort,
Mumbai - 400 023

M/s.Cameo Corporate Services Limited
"Subramanian Building"
No.1, Club House Road,
Chennai - 600 002



L. G. BALAKRISHNAN & BROS LIMITED

COIMBATORE, INDIA - 641 006 | www.lgb.co.in



68th ANNUAL REPORT | 2023-2024



5G Technology Belts

With Durable Aramid Fibre

GET THE 5G ADVANTAGE

- ADVANCED TECHNOLOGY**
- BETTER LIFE EXPECTANCY**
- SMOOTH TRANSMISSION**
- LOW NOISE**
- HIGH TEMPERATURE RESISTANCE**



IMPROVED TOP FABRIC



ANTI SLIP RUBBER



PROTECTIVE POLYAMIDE FABRIC FOR BOTTOM COG



DURABLE ARAMID FIBRE BLEND



HIGH TENSILE CORD

NOISE FREE KIT



Smooth Engagement of Sprocket & Chain

SPECIAL FEATURES

- Reduces Wear & Tear**
- High Fatigue Strength**



BRASS PLATED KIT

SPECIAL FEATURES

- Corrosion Resistant**
- Lustrous Aesthetics**
- Enhanced Wear Resistance Due to Quadruple Sealing**



(₹ In Lakhs)

PERFORMANCE ANALYSIS:

Sl. No.	Particulars / Year	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
1	Turnover	2,23,104.29	2,08,565.30	2,00,797.60	1,53,147.43	1,44,427.22	1,58,210.43	1,31,540.83	1,17,159.39	1,09,010.11	1,04,826.38
2	Other Income	4,911.55	2,591.63	973.93	696.81	366.46	281.87	411.17	428.80	417.21	284.27
3	Material Consumption	1,00,935.13	95,885.47	90,160.68	69,089.80	64,774.98	71,051.83	59,053.80	50,824.77	47,981.87	48,612.82
4	Employee Cost	33,170.28	29,522.64	27,714.42	22,729.05	23,873.00	24,023.75	18,929.55	17,015.94	15,167.49	12,975.93
5	Other Expenses	50,344.49	46,273.68	45,143.24	35,169.48	37,188.37	42,918.27	35,301.77	34,748.60	33,282.97	30,340.09
6	Interest	719.04	602.60	788.13	920.71	1,408.51	1,041.73	978.13	1,399.62	1,648.28	1,631.84
7	Depreciation	7,270.34	7,355.42	7,734.22	7,749.26	7,418.28	6,397.44	5,412.75	4,922.90	4,309.37	3,733.68
8	Operating Profit (Before Exceptional item)	43,565.94	39,475.15	38,753.19	26,855.91	18,957.33	20,498.45	18,666.88	14,998.88	12,994.99	13,181.81
9	Exceptional Item	680.67	2,029.48	2,273.75	1,362.26	2,524.45	1,204.97	-	131.33	-	660.80
10	PBIT	36,976.27	34,149.21	33,292.72	20,468.91	14,063.50	15,305.98	13,254.13	10,207.31	8,685.62	10,108.93
11	Net Profit (PBT)	36,257.23	33,546.61	32,504.59	19,548.20	12,654.99	14,264.25	12,276.00	8,807.69	7,037.34	8,477.09
12	Profit after Tax (PAT)	26,950.33	24,769.58	23,911.04	14,820.73	10,183.45	9,665.18	8,009.94	6,155.36	5,745.36	6,439.60
13	Fixed Asset (Written Down Value)	53,879.82	48,031.74	47,652.30	50,705.52	54,823.12	52,380.52	39,523.36	36,035.97	33,691.74	30,421.51
14	Turnover Growth (%)	6.97%	3.87%	31.11%	6.04%	-8.71%	20.27%	12.28%	7.48%	3.99%	6.11%
15	Material Consumption (%)	45.24%	45.97%	44.90%	45.11%	44.85%	44.91%	44.89%	43.38%	44.02%	46.37%
16	Employee Cost (%)	14.87%	14.16%	13.80%	14.84%	16.53%	15.18%	14.39%	14.52%	13.91%	12.38%
17	Other Expenses (%)	22.57%	22.19%	22.48%	22.96%	25.75%	27.13%	26.84%	29.66%	30.53%	28.94%
18	Interest (%)	0.32%	0.29%	0.39%	0.60%	0.98%	0.66%	0.74%	1.19%	1.51%	1.56%

(₹ In Lakhs)

Sl. No.	Particulars / Year	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
19	Depreciation (%)	3.26%	3.53%	3.85%	5.06%	5.14%	4.04%	4.11%	4.20%	3.95%	3.56%
20	Operating Profit Margin (%)	19.53%	18.93%	19.30%	17.54%	13.13%	12.96%	14.19%	12.80%	11.92%	12.57%
21	PBIT Margin (%)	16.57%	16.37%	16.58%	13.37%	9.74%	9.67%	10.08%	8.71%	7.97%	9.64%
22	PBT Margin (%)	16.25%	16.08%	16.19%	12.76%	8.76%	9.02%	9.33%	7.52%	6.46%	8.09%
23	PAT Margin (%)	12.08%	11.88%	11.91%	9.68%	7.05%	6.11%	6.09%	5.25%	5.27%	6.14%
24	Return on Capital Employed (%)	22.31%	23.77%	27.48%	21.75%	15.38%	19.51%	22.15%	17.51%	18.25%	21.79%
25	Current Ratio	2.12	2.37	2.08	1.71	1.64	1.34	1.42	1.55	1.33	1.30
26	Inventory turnover ratio	6.02	5.28	5.72	5.50	5.17	5.96	5.73	5.43	5.07	5.10
27	Inventory turnover ratio - No of days	61	69	64	66	71	61	64	67	72	72
28	Trade Receivables turnover ratio	8.37	7.87	7.94	7.90	7.90	8.16	7.84	7.98	8.28	8.38
29	Trade Receivables turnover ratio - No. of days	44	46	46	46	46	45	47	46	44	44
30	Trade payables turnover ratio	6.44	5.80	4.23	3.73	3.24	3.07	2.64	2.49	2.68	3.16
31	Trade payables turnover ratio - No. of days	57	63	86	98	113	119	138	146	136	115
32	Fixed Assets Turnover ratio	4.38	4.36	4.08	2.90	2.69	3.44	3.48	3.36	3.40	3.92

CORPORATE INFORMATION

BOARD OF DIRECTORS

EXECUTIVE CHAIRMAN

SRI. B. VIJAYAKUMAR

MANAGING DIRECTOR

SRI. P. PRABAKARAN

EXECUTIVE DIRECTOR

SRI. RAJIV PARTHASARATHY

NON-EXECUTIVE DIRECTORS

SMT. RAJSRI VIJAYAKUMAR

SRI. S. SIVAKUMAR

INDEPENDENT DIRECTORS

SRI. V. GOVINDARAJULU

SRI. P. SHANMUGASUNDARAM

SRI. R. VIDHYA SHANKAR

SMT. KANCHANA MANAVALAN

SRI.G. D. RAJKUMAR

DR. VINAY BALAJI NAIDU

CHIEF FINANCIAL OFFICER

SRI. N. RENGARAJ

SENIOR GENERAL MANAGER (LEGAL) AND COMPANY SECRETARY

SRI. M. LAKSHMI KANTH JOSHI

BANKERS

AXIS BANK LIMITED

UNION BANK OF INDIA

HDFC BANK LIMITED

HSBC LIMITED

INDUSIND BANK LIMITED

ICICI BANK LIMITED

IDBI BANK LIMITED

YES BANK LIMITED

STANDARD CHARTERED BANK

STATUTORY AUDITORS

M/S. SURI & CO

CHARTERED ACCOUNTANTS

SSS TOWERS, DOOR NO.432,

METTUPALAYAM ROAD

(NEAR HOTEL ANNAPOORNA),

NORTH COIMBATORE,

COIMBATORE - 641 043

PHONE NO. 0422 - 2433627

COST AUDITOR

DR. G.L. SANKARAN

82, EB COLONY, VADAVALLI, COIMBATORE - 641 041

PHONE NO. 0422 - 2400767

SECRETARIAL AUDITORS

MDS & ASSOCIATES LLP

COMPANY SECRETARIES

“SURYA ENCLAVE”, 37, MAYFLOWER AVENUE,

SOWRIPALAYAM ROAD,

COIMBATORE - 641028

PHONE : 0422 2318780

REGISTRAR AND SHARE TRANSFER AGENTS

CAMEO CORPORATE SERVICES LIMITED

“SUBRAMANIAN BUILDING”

NO 1, CLUB HOUSE ROAD, CHENNAI- 600 002

PHONE NO. 044 - 28460390

LISTED - STOCK EXCHANGES

BSE LTD

NATIONAL STOCK EXCHANGE OF INDIA LTD

REGISTERED OFFICE

6/16/13, KRISHNARAYAPURAM ROAD,

GANAPATHY, COIMBATORE - 641 006.

PHONE: 0422 2532325 EMAIL: info@lgb.co.in

WEBSITE: www.lgb.co.in

CIN : L29191TZ1956PLC000257

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68th

ANNUAL

GENERAL

MEETING

Day, Date and Time of AGM:

Thursday, August 29, 2024 at 10.30 A.M. (IST)

Mode:

Video Conference (VC) and Other Audio Visual Means(OAVM)

Participation through VC/OAVM:

Members can login from 10.00 A.M (IST) on the date of the AGM at <https://www.evotingindia.com>

Remote e-voting start time and date :

9:00 a.m. (IST) on Monday, August 26, 2024

Remote e-voting end time and date :

5:00 p.m. (IST) on Wednesday, August 28, 2024.

225KW WINDMILL
AT NAGERCOIL



850 KW WINDMILL
AT PALLADAM - KETHANUR



NOTICE OF 68TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE SIXTY EIGHTH ANNUAL GENERAL MEETING (“AGM” / 68TH AGM) OF THE MEMBERS OF L.G. BALAKRISHNAN & BROS LIMITED (“THE COMPANY”) WILL BE HELD ON THURSDAY, 29TH DAY OF AUGUST 2024 AT 10:30 AM (IST) THROUGH VIDEO CONFERENCING (“VC”) / OTHER AUDIO-VISUAL MEANS (“OAVM”) FACILITY WITHOUT THE IN PERSON PRESENCE OF MEMBERS AT A COMMON VENUE TO TRANSACT THE FOLLOWING BUSINESS:

AGENDA

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements (including Standalone and Consolidated Financial Statements) along with the Cash Flow Statement for the Financial Year ended March 31, 2024, and the Report of the Board of Directors and the Statutory Auditors thereon, including Annexures thereto.
2. To declare a dividend of ₹ 18/- per equity share for the Financial Year ended March 31, 2024.
3. To appoint a Director in the place of Smt. Rajsri Vijayakumar (DIN: 00018244), who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint a Director in the place of Sri. P. Prabakaran (DIN:01709564), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

5. **Appointment of Sri.J.Dinesh Kumar (DIN: 10586227) as a Non-Executive Independent Director of the Company for the first term of five (5) consecutive years with effect from September 01, 2024.**

To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149,150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory amendment(s) or modification(s) or re-enactment thereof, for the time being in force) and in accordance with the Articles of Association of the Company and pursuant to the recommendation of Nomination and Remuneration Committee and the Board of Directors of the Company, Sri.J.Dinesh Kumar (DIN: 10586227), who has given his consent to act as a Director in the prescribed Form DIR-2 and who has submitted a declaration to the effect that he meets the criteria of independence as envisaged under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations and whose name is included in the databank as required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and who is eligible for appointment under the provisions of the Companies Act, 2013 and Rules made thereunder and the Listing Regulations, and in respect of whom the Company has received a notice in writing from a member proposing him for the office of a Director under Section 160(1) of the said Act, be and is hereby appointed as a Non-Executive Independent Director of the Company to hold such office for a first term of five (05) consecutive years with effect from September 01, 2024 to August 31, 2029 (both days inclusive), whose term shall not be subject to retirement by rotation.

RESOLVED FURTHER THAT the Board of Directors (including any Committee(s) constituted by the Board from time to time) of the Company be and is hereby authorised to do all necessary acts, things and matters and take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

6. **Approval for the re-appointment of Sri.B.Vijayakumar (DIN:00015583) as an Executive Chairman for a further period of 5 years with effect from January 01, 2025.**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and pursuant to Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force) and in pursuance of the Nomination and Remuneration Policy and the Articles of Association of the Company, the approval of the members be and is hereby accorded to re-appoint Sri.B.Vijayakumar (DIN: 00015583), who is aged 71 years, as Executive Chairman of the Company for a further period of 5 (Five) years with effect from January 1, 2025 on the following remuneration notwithstanding that the aggregate annual remuneration payable to Sri.B.Vijayakumar (DIN: 00015583), in any year during his tenure, together with the aggregate annual remuneration payable to Sri. Rajiv Parthasarathy (DIN: 02495329), Executive Director, exceeds 5% of the net profits of the Company as calculated under Section 198 of the Act or any other limits as may be specified under the Companies Act, 2013 or the Listing Regulations from time to time for the time being in force as recommended by the Nomination and Remuneration Committee, at their meeting held on April 13, 2024 and approved by the Audit Committee and the Board of Directors, at their respective meetings held on April 29, 2024;

Basic Salary	₹ 3,85,000/- per month
Other Allowance	₹ 3,85,000/- per month

The above shall be subject to an annual increment not exceeding an amount of 10% of the basic salary and other allowances per annum

1. **Commission:** An amount equal to **1.00% of the Net Profits** of the Company in each financial year computed in accordance with Section 198 of the Companies Act, 2013.
2. **Other Benefits:** Contribution to Provident fund / Superannuation fund / Gratuity fund as per the rules of the Company and the same shall not be included in the computation of the ceiling on the aforesaid remuneration to the extent as may be specified in Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors (including its Committee(s) thereof) of the Company be and is hereby authorized to alter, vary and modify the abovesaid terms of re-appointment and/ or remuneration payable to Sri.B.Vijayakumar (DIN: 00015583), Executive Chairman, including the monetary value thereof as it may deem fit, proper and necessary subject to the same not exceeding the above limits.

RESOLVED FURTHER THAT Sri.B.Vijayakumar (DIN: 00015583), during his tenure as Executive Chairman, shall be liable to retire by rotation and the same shall not be treated as break in his service as Executive Chairman.

RESOLVED FURTHER THAT Sri.B.Vijayakumar (DIN: 00015583), Executive Chairman shall not be entitled to receive any sitting fees for attending the meetings of the Board of Directors or any Committees thereof or any other benefits other than the above.

RESOLVED FURTHER THAT the Board of Directors (including any Committee(s) constituted by the Board from time to time) of the Company be and is hereby authorized to do all such acts, deeds, matters and things and to sign all such documents and writings as may be necessary, expedient, proper and incidental thereto to give effect to this resolution and for matters connected therewith or incidental thereto without being required to seek any further consent or approval of the members and the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

7. Ratification of the remuneration payable to the Cost Auditor of the Company for the financial year 2024-25

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any amendment(s), statutory modification(s) or any re-enactment(s) thereof, for the time being in force) and based on the recommendation of the Audit Committee and approval of the Board of Directors of the Company, the remuneration payable to Dr.G.L.Sankaran, Cost Accountant, (Membership No.4482), who was re-appointed by Board of Directors as Cost Auditors to conduct the audit of the cost records of the company for the Financial Year ending March 31, 2025, amounting to ₹ 2,50,000/- (Rupees Two Lakhs Fifty Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses incurred in connection with the said audit, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company including committees be and are hereby authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following statements sets out the material facts relating to the special business mentioned under Item No.5 to 7 in the accompanying Notice dated April 29, 2024 and shall be taken as forming part of the Notice.

ITEM NO. 5

Based on the evaluation and recommendation of the Nomination and Remuneration Committee (“NRC”), the Board of Directors, at its meeting held on April, 29, 2024, has recommended the appointment of Sri.J.Dinesh Kumar (DIN: 10586227) as a Non-Executive Independent Director of the Company at the ensuing Sixty Eighth Annual General Meeting of the Company to hold such for a first term of five consecutive years with effect from September 01, 2024 by means of passing a special resolution. Further, the Company has also received a Notice from a member in writing under Section 160(1) of the Act proposing his candidature for the office of a Director.

Pursuant to Regulation 25(2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the appointment of Sri.J.Dinesh Kumar (DIN: 10586227) as a Non-Executive Independent Director of the Company effective from September 01, 2024 shall require the approval of the members by means of passing a special resolution. Further, pursuant to Regulation 17(1C) of the Listing Regulations, the Company is required to obtain the approval of the members for appointment of a person on the Board of Directors at the next general meeting or within a time period of 3 months from the date of such appointment, whichever is earlier.

Sri.J.Dinesh Kumar (DIN: 10586227), being the appointee Independent Director, has expressed his consent, if appointed, to act as a Director in the prescribed Form DIR-2 and has submitted necessary declaration to the effect that he meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations and that his name is included in the databank as required under Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014 and that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and not debarred from holding the office of a Director by order of Securities and Exchange Board of India (SEBI) or any other statutory authority under any law. He also has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company.

In the opinion of the Board, Sri.J.Dinesh Kumar (DIN: 10586227) is a person of integrity and fulfils the conditions specified under the Act read with Rules thereunder and the Listing Regulations for his appointment as a Non-Executive Independent Director of the Company and he possess the skills and capabilities required for the said role of an Independent Director of the Company. Considering his knowledge, qualification, skills and experience, the

Board of Directors is of the opinion that the appointment of Sri.J.Dinesh Kumar (DIN: 10586227) as an Independent Director would be highly beneficial to the Company.

Brief Profile of Sri.J.Dinesh Kumar (DIN: 10586227) and other details as required under Regulation 36(3) of the Listing Regulations and the Secretarial Standards on General Meetings (SS-2) are provided in Annexure-A forming part of the Notice.

In accordance with the provisions of Section 152(6) of the Act, Sri.J.Dinesh Kumar (DIN: 10586227) would not be liable to retire by rotation during his term of office as an Independent Director commencing from September 01, 2024 to August 31, 2029.

The draft terms and conditions of appointment of Sri.J.Dinesh Kumar (DIN: 10586227) as an Independent Director, would be made available for inspection by the members electronically on the Company’s website (www.lgb.co.in) and also, at the Registered Office of the Company during the office hours on all working days other than on Saturdays and Sundays till the date of the meeting and the same shall also be made available for electronic inspection during the meeting.

Accordingly, the Board of Directors recommends the Special Resolution, as set out in Item No.5 of this notice, for the approval of the members.

Except Sri.J.Dinesh Kumar (DIN: 10586227), being the appointee Independent Director, none of the other Director(s) and Key Managerial Personnel of the Company or their relatives, are concerned or interested, financially or otherwise, in the special resolution set out at Item No.5 of this notice.

Item No.6:

Sri. B. Vijayakumar (DIN: 00015583) was re-appointed as the Chairman and Managing Director of the Company for a period of 5 (five) years with effect from January 01, 2020 and he expressed his desire to step down as Managing Director due to attaining the age of 70 (Seventy) years on January 22, 2023. Accordingly, he was re-designated as Executive Chairman of the Company for the remaining period of his current tenure with effect from January 01, 2023, as approved by the shareholders by means of a special resolution passed through postal ballot on December 18, 2022 and his tenure as an Executive Chairman of the Company expires on December 31, 2024.

Based on the recommendation of the Nomination and Remuneration Committee and the approval of the Audit Committee and based on the outcome of the performance evaluation, the Board of Directors, at their meeting held on April 29, 2024, has accorded their approval to re-appoint of Sri. B. Vijayakumar (DIN: 00015583) as an Executive Chairman of the Company for a further period of 5 (five) years with effect from January 01, 2025 on the terms and conditions as set out under Item No.6 of this Notice, subject to the approval of the members of the Company by means of passing a special resolution.

Sri.B.Vijayakumar is the promoter of the Company and has been associated with the Company for more than four decades. Under his leadership, LGB has become one of the leading global manufacturers with wide customer base and multi-fold growth. In recognition of his contribution in the Company and considering his expertise knowledge, varied experience and skills and the role and responsibilities shouldered by him and as per the recommendation of the Nomination & Remuneration Committee and the approval of the Audit Committee, the Board of Directors, at its meeting held on April 29, 2024, has approved and recommended the re-appointment of Sri.B.Vijayakumar as an Executive Chairman for a further period of 5 years from 01.01.2025 to 31.12.2029 on the terms and conditions as set out at Item No.6 of this notice.

Pursuant to Section(s) 196(4), 197 and 203 read with Schedule V of the Companies Act, 2013 and pursuant to Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the special resolution for re-appointment of Sri. B. Vijayakumar (DIN: 00015583), aged 71 years, as an Executive Chairman, as set out under Item No.6 of this Notice, is placed before the members for approval. Your Directors recommend the passing of this Special Resolution.

Brief Profile of Sri. B. Vijayakumar (DIN: 00015583) and other details as required under Regulation 36(3) of the Listing Regulations and the Secretarial Standards on General Meetings (SS-2) are provided in Annexure-A forming part of the Notice and the manner in which he meets such requirements is provided under section “Board Skills / Expertise / Competencies” in the Corporate Governance Report forming part of the Annual Report.

Members are informed that the terms of re-appointment of Sri. B. Vijayakumar (DIN: 00015583) as an Executive Chairman and the remuneration payable to him, as set out under Item No.6 of this Notice, are in conformity with Schedule V of the Companies Act, 2013.

The particulars set out above can also be treated as Memorandum required to be circulated to every member under Section 190 of the Companies Act, 2013.

Except Sri. B. Vijayakumar (DIN: 00015583), appointee Executive Chairman, Sri. Rajiv Parthasarathy (DIN: 02495329), Executive Director and Smt.Rajsri Vijayakumar (DIN: 00018244), Director, being his relatives, none of the other Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the special resolution set out in Item No. 6 of this Notice.

Item No.7

The Board of Directors, on the recommendation of the Audit Committee, has approved the re-appointment of Dr. G. L. Sankaran, Cost Accountant (Membership No.4482) as Cost Auditor and the remuneration payable to him to conduct the audit of the cost records of the Company for the Financial Year 2024-2025, subject to ratification by the Members. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor must be ratified by the Members of the Company by means of passing an ordinary resolution.

Accordingly, the approval of the Members is sought for passing Ordinary Resolution as set out in Item No.7 of the Notice for ratification of the remuneration payable to the Cost Auditor for conducting the Cost Audit of the Company for the Financial Year ending on March 31, 2025. The Board recommends the Ordinary Resolution as set out in Item No.7 of the notice for approval of the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives, financially or otherwise, is concerned or interested in the Ordinary Resolution as set out at Item No.7 of this notice.

NOTES:

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”) with respect to the Special Business set out in the Notice is annexed hereto and forms part of this Notice. Further, the disclosure pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (“ICSI”) in respect of the Directors seeking appointment / re- appointment at this AGM are also annexed to this Notice.
2. In view of the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India from time to time (hereinafter referred to as “MCA and SEBI Circulars”), the Company is permitted to hold the 68th Annual General Meeting (“AGM”) through Video Conferencing (“VC”) /Other Audio Visual Means (“OAVM”), without the physical presence of the Members at a common venue. The deemed venue for the 68th AGM shall be the Registered Office of the Company situated at 6/16/13, Krishnarayapuram Road, Ganapathy, Coimbatore-641006, Tamil Nadu.

In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) read with the relevant MCA and SEBI Circulars, the 68th AGM of the Company is being held through VC / OAVM. Members desirous of participating in the 68th AGM through VC/ OAVM, may refer to the procedures mentioned below.

3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THE 68TH AGM IS BEING HELD THROUGH VC/OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THE 68TH AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE. MEMBERS ATTENDING THE AGM THROUGH VC / OAVM SHALL BE COUNTED FOR THE PURPOSE OF RECKONING THE QUORUM UNDER SECTION 103 OF THE ACT.**

4. Since the AGM will be held through VC/OAVM, the Route Map to the venue of the AGM is not annexed to this Notice.
5. The Company has engaged the services of Central Depository Services (India) Limited (“CDSL”), as the authorized agency for conducting the AGM and providing remote e-Voting and e-Voting facility at/ during the AGM of the Company. The instructions for participation by Members are given in the subsequent notes.
6. Electronic copy of the Annual Report for FY 2023-24 and Notice of AGM are uploaded at ‘Investor Relations’ Section on the Company’s website <https://www.lgb.co.in/investor-relations/annual-reports/> and is being sent to all the Members whose email IDs are registered with the Company/ Depository Participants(s)/RTA for communication purposes and also on the website of BSE Ltd., and National Stock Exchange of India Ltd. at www.bseindia.com and www.nseindia.com respectively. Further, Notice of AGM is available on the website of CDSL, the agency engaged for providing e-voting facility, i.e. www.evotingindia.com. Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.
7. Members of the Company under the category of Institutional/Corporate Shareholders are encouraged to attend and vote at the AGM through VC. Corporate Members intending to authorize their representatives to participate, and vote are requested to send a certified copy of the Board resolution / authorization letter to the Scrutinizer by e-mail at mds@mdsassociates.in and the same should also be uploaded on the VC portal / e-Voting portal of CDSL.
8. The Register of Members and Share Transfer Books of the Company will remain closed from **FRIDAY, AUGUST 23, 2024 TO THURSDAY, AUGUST 29, 2024 (BOTH DAYS INCLUSIVE)** for the purpose of determining the eligibility of the Members to receive the dividend for the financial year ended March 31, 2024, if declared at the AGM.
9. Dividend, as recommended by the Board of Directors, if declared at the ensuing Annual General Meeting will be paid on or before September 25, 2024 from the date of declaration, to those Members whose names appear on the Register of Members in respect of shares held in physical form as well as in respect of shares held in electronic form as per the details received from the depositories for this purpose as at the close of the business hours on **THURSDAY, AUGUST 22, 2024.**
10. Pursuant to the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. April 1, 2020, and the Company is required to deduct tax at source (TDS) from the dividend paid to the Members at prescribed rates in the Income Tax Act,1961 (‘the IT Act’). In general, to enable compliance with TDS requirements, Members are requested to complete and/ or update their Residential Status, PAN, and Category as per the IT Act with their Depository Participants (‘DPs’) or in case shares are held in physical form, with the Company / Cameo Corporate Services Limited by sending documents latest by **FRIDAY AUGUST 16, 2024 (UPTO 5:00 PM)** to enable the Company to determine the appropriate TDS/withholding tax rate applicable, verify the documents and provide exemption.

For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows-

Members having valid PAN	10% or as notified by the Government of India
Members not having valid PAN	20% or as notified by the Government of India

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2023-24 does not exceed ₹ 5,000/- and also in cases where members provide **FORM 15G / FORM 15H (APPLICABLE TO INDIVIDUALS AGED 60 YEARS OR MORE)** subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above. Form 15G/15H can be downloaded from the weblink: <https://investors.cameoindia.com> to avail the benefit and e-mail to <https://wisdom.cameoindia.com> & secretarial@lgb.co.in by 5.00 P.M (IST) on August 16, 2024. There is also a provision to upload Form 15G/15H in the weblink viz., <https://investors.cameoindia.com> provided by Company's RTA. No communication would be accepted from members after **August 16, 2024**, regarding the tax withholding matters.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits etc., may send the requisite documents by email to <https://wisdom.cameoindia.com> & secretarial@lgb.co.in. The aforesaid declarations and documents need to be submitted by the shareholders by 5.00 P.M. IST on or before Friday, August 16, 2024.

11. The Company will arrange to issue the soft copy of TDS certificate to its shareholders at their registered email ID in accordance with the provisions of the Income Tax Act 1961 after filing of the quarterly TDS Returns of the Company, post payment of the said Dividend. Shareholders will be able to download Form 26AS from the Income Tax Department's website <https://www.incometax.gov.in/>.
12. The Company has sent necessary intimation with regard to TDS on dividend with all details to all the members through e-mail, whose e-mail IDs are registered with the Company / RTA.
13. Members who have not registered their Bank particulars with the Depository Participant(s) ("DP") / Company are advised to utilize the electronic solutions provided by National Automated Clearing House ("NACH") for receiving dividends. Members holding shares in electronic form are requested to contact their respective Depository Participant(s) for availing this facility. Members holding shares in physical form are requested to download the NACH form from the website of the Company viz., <https://www.lgb.co.in/investor-relations/investor-services-forms-for-download/> and the same, duly filled up and signed along with original cancelled cheque leaf may be sent to the Company or to the Registrar and Share Transfer Agent ("RTA").
14. In accordance with SEBI's Master Circular dated 17th May 2023 and amendment circular dated 17th November 2023, Members holding shares in physical form, whose folio(s) are updated with PAN, nomination details, contact details, Bank Account details or updated specimen signature, will only be eligible for payment of dividend, through electronic mode effective from **1st April 2024**. Therefore, Members holding shares in physical form are requested to update the above-mentioned details by providing the appropriate requests through ISR forms with the Registrar and Share Transfer Agent to ensure receipt of dividend.

Members may please note that the dividends will be credited to their bank accounts only after their KYC details has been updated in the folio as mentioned above, else it will be held back by the company.

15. The relevant formats for Nomination and Updation of KYC details viz; **FORMS ISR-1, ISR-2, ISR-3, SH-13, SH-14 AND SEBI CIRCULAR ARE AVAILABLE ON COMPANY'S WEBSITE AS WELL AS THE WEBSITE OF CAMEO CORPORATE SERVICES LIMITED** the Registrar and Share Transfer Agent of the Company. Original cancelled cheque leaf bearing the name of the first holder failing which first security holder is required to submit copy of bank passbook / statement attested by the bank which is mandatory for registering the new bank details.

16. The Company has entered into agreements with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"). The Depository System envisages the elimination of several problems involved in the scrip based system such as bad deliveries, fraudulent transfers, fake certificates, thefts in postal transit, delay in transfers, mutilation of share certificates, etc. Simultaneously, Depository System offers several advantages like exemption from stamp duty, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc. Members, therefore, now have the option of holdings and dealing in the shares of the Company in electronic form through NSDL or CDSL. Members are encouraged to convert their holding to electronic mode.

17. It may be noted that any service request can be processed only after the folio is KYC compliant. SEBI vide its notification dated January 25, 2022 read with Regulation 40 of SEBI Listing Regulations, as amended, has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. Members can contact the Company or Cameo Corporate Services Limited, Company's Registrar and Share Transfer Agent for assistance in this regard.

In addition to above Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR- 4, the format of which is available on the Company's website under the weblink at <https://www.lgb.co.in/investor-relations/investor-services-forms-for-download/>

18. As per the provisions of Section 72 of the Act, the facility for submitting nomination is available for members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The form can be downloaded from <https://www.lgb.co.in/investor-relations/investor-services-forms-for-download/>. Members are requested to submit these details to their DP in case the shares are held by them in electronic form, and to the Company's RTA, in case the shares are held in physical form.
19. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company Secretary of the Company or its RTA, namely M/s Cameo Corporate Services Limited, Subramanian Building, #1, Club House Road, Chennai 600 002, by quoting the Folio number or the Client ID number with DP ID number.
20. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
21. Members who wish to claim dividends, which remain unclaimed, are requested to correspond with the Company / Registrar & Share Transfer Agent of the Company. Members are requested to note that pursuant to Section 124 of the Companies Act, 2013 dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government under Section 125 of the Companies Act, 2013. The details of unpaid/ unclaimed dividend can be viewed on the Company's website. As per the provisions of Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016, the Company will be transferring the share(s) on which the beneficial owner has not encashed any dividend during the last seven years to the IEPF demat account as identified by the IEPF Authority.

Details of shareholders whose shares are liable to be transferred to IEPF are available at the Company website: <https://www.lgb.co.in/investor-relations/transfer-of-shares-to-iepf/> The shareholders whose unclaimed dividend /share has been transferred to the 'Investor Education and Protection Fund', may claim the same

from IEPF authority by filing Form IEPF-5 along with requisite documents. Mr. M. Lakshmi Kanth Joshi, Senior General Manager (Legal) and Company Secretary, is the Nodal Officer of the Company for the purpose of verification of such claims.

22. In compliance with the MCA and SEBI Circulars, the Annual Report for FY 2023-24, the Notice of the 68th AGM and the Instructions for e-voting are being sent by electronic mode to all the Members whose e-mail addresses are registered with the Company / respective Depository Participants. Members may also note that the Annual Report for FY 2023-24 and the Notice convening the AGM are also available on the Company's website <https://www.lgb.co.in/investor-relations/annual-reports/>, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of Central Depository Services (India) Limited ("CDSL") (agency for providing the Remote e-voting facility) at www.evotingindia.com.

23. Soft copies of the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members during the AGM

24. E-voting (voting through electronic means):

- i. The businesses as set out in this Notice may be transacted through electronic voting system. In compliance with the provisions of Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, the Secretarial Standards on General Meetings (SS-2), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and pursuant to the relevant MCA and SEBI Circulars, the Company is pleased to offer the facility of voting through electronic means, to all its members to enable them to cast their votes electronically. The Company has made necessary arrangements with CDSL to facilitate the members to cast their votes from a place other than venue of the AGM ("remote e-voting"). The facility for voting shall also be made available during the AGM through electronic voting and the members participating in the AGM who have not cast their vote by remote e-voting shall be able to exercise their right during the AGM. The facility of casting votes by a member using remote e-voting as well as venue e-voting system on the date of the AGM will be provided by CDSL.
- ii. In terms of provisions of Section 108 of the Act, as the Company is providing the facility of remote e-voting to the members, there shall be no voting by show of hands at the AGM.
- iii. The members can join the AGM through VC / OAVM mode 30 minutes before the scheduled time of the AGM and within 15 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1,000 members on first come first served basis. This will be in addition to large members (members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- iv. The attendance of the members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- v. A person whose name is recorded in the Register of Members / List of Beneficial Owners maintained by the depositories as on Thursday, August 22, 2024, being the cut-off date shall be entitled to avail the facility of remote e-voting or e-voting during the AGM. Persons who are not members as on the cut-off date, but have received this Notice, should treat receipt of this Notice for information purpose only.

vi. The members who have cast their vote by remote e-voting prior to AGM may also attend the AGM but shall not be entitled to cast their vote again.

vii. Eligible members who have acquired shares after sending the Notice electronically and holding shares as on the cut-off date may approach the Company for issuance of the User Id and Password for exercising their right to vote by electronic means.

viii. Process for those members whose e-mail ids / mobile numbers are not registered with the Company / Depositories:

- i. Members holding shares in physical mode please provide necessary details like Folio No., Name of member, scanned copy of the share certificate (front and back), PAN (self- attested scanned copy of PAN card), Aadhaar Card (self-attested scanned copy of Aadhaar Card) by e-mail to Company/RTA e-mail id.
- ii. Members holding shares in demat mode please update your e-mail ID and mobile number with your respective DP.
- iii. Individual members holding shares in demat mode-please update your e-mail ID and mobile number with your respective DP which is mandatory for e-voting and joining the AGM through VC / OAVM through Depository.

25. Instructions for Members for remote voting, e-voting during AGM and joining the AGM through VC / OAVM are as under:

- i. The voting period begins on **MONDAY, AUGUST 26, 2024, AT 9.00 AM (IST) AND ENDS ON WEDNESDAY, AUGUST 28, 2024 AT 5.00 PM (IST)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Thursday, August 22, 2024, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. Pursuant to SEBI Circular No. SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- iv. In terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
Individual member (holding shares in demat mode) login through their DPs	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at : 022 - 4886 7000 and 022 - 2499 7000

Step 2

Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and nonindividual shareholders in demat mode.

v. Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

- The shareholders should log on to the e-voting website www.evotingindia.com.
- Click on "Shareholders" module.
- Now enter your User ID

a.	For CDSL: 16 digits beneficiary ID,
b.	For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
c.	Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and have logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- If you are a first-time user follow the steps given below:

PAN	For Physical shareholders and other than individual shareholders holding shares in Demat.
	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.

Dividend Bank Details OR Date of Birth (DOB)	For Physical shareholders and other than individual shareholders holding shares in Demat.
	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.
	<ul style="list-style-type: none"> If both the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field.

7. After entering these details appropriately, click on “SUBMIT” tab.
8. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
9. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
10. Click on the EVSN for the relevant L.G.BALAKRISHNAN & BROS LIMITED on which you choose to vote.
11. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
12. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
13. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
14. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
16. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
17. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

26. Additional Facility for Non - Individual Shareholders and Custodians -For Remote Voting only

- i. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- ii. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- iii. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- iv. The list of accounts linked in the login will be mapped automatically & can be delinked in case of any wrong mapping.
- v. It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- vi. Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address mds@mdsassociates.in and secretarial@lgb.co.in if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

27. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at lk.joshi@lgb.co.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at lk.joshi@lgb.co.in. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

28. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR EVOTING

1. For shareholders holding shares in physical form - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self- attested scanned copy of Aadhar Card) by email to Company/RTA’s email ID at secretarial@lgb.co.in or investor3@cameoindia.com respectively.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Members can also cast their vote using CDSL's mobile app m-Voting. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while remote e-voting on your mobile.

- Process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for remote e-voting for the resolutions proposed in this Notice:

29. Other Instructions

- Sri. M. D. Selvaraj (FCS: 960, CP: 411), Managing Partner of M/s.MDS & Associates LLP, Company Secretaries, Coimbatore has been appointed as the Scrutinizer to scrutinize both the remote e-voting process and e-voting process during the meeting in a fair and transparent manner.
- The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolutions have been carried or not, and such report shall then be sent to the Chairman or a person authorized by him, within 2 (two) working days from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.
- The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at <https://www.lgb.co.in/investor-relations/general-meeting-notice/> and on the website of CDSL at www.evoting.india.com immediately after the declaration of results by the Chairman or a person authorized by him. The results shall also be forwarded to BSE Limited and National Stock Exchange of India Limited in the prescribed manner within the stipulated time.

By Order of the Board,

M. LAKSHMI KANTH JOSHI
Senior General Manager (Legal)
and Company Secretary
ACS No. 14273

Place : Coimbatore
Date : 29.04.2024

Brief profile of Director(s) seeking appointment/re-appointment at the 68th Annual General Meeting of the Company pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by The Institute of Company Secretaries of India ("ICSI").

Name of Director	Smt Rajsri Vijayakumar	Sri. P. Prabakaran	Sri.J.Dinesh Kumar	Sri.B.Vijayakumar
Director Identification Number	00018244	01709564	10586227	00015583
Date of Birth / Age	11.09.1981 / 43 years	01.02.1959 / 65 years	12.06.1994 / 30 years	22.01.1953 / 71 years
Nationality	Indian	Indian	Indian	Indian
Qualifications	B.B.A.,	B.E.,	Chartered Accountant	B.Sc.,
Date of first appointment on the Board	30.10.2006	30.05.2008	He is proposed to be appointed as Non-Executive Independent Director w.e.f. September 01, 2024 for first term of five years.	25.11.1986
Board position held	Non Executive Director	Managing Director	Non-Executive Independent Director	Executive Chairman
Brief profile including areas of expertise and experience	More than 25 years experience in General Administration	More than 33 years experience in manufacturing & marketing	Having around 8 years of experience in Taxation, Accounting and Auditing.	More than 42 years as an industrialist and more than 36 years as Managing Director of the Company
Terms and conditions of appointment/ re-appointment	Liable to retire by rotation	Liable to retire by rotation	Not liable to retire by rotation	As set out in Item No.6 of the Notice
Number of Board Meetings attended during last Financial Year 2023-24	6 of 6	6 of 6	Not applicable	6 of 6
Remuneration to be paid	Sitting fees only	As approved by Shareholders	Sitting fees only	As set out in Item No.6 of the Notice
Remuneration last drawn	NIL	₹ 326.35 lakhs	NIL	₹ 464.53 lakhs

Name of Director	Smt Rajsri Vijayakumar	Sri. P. Prabakaran	Sri.J.Dinesh Kumar	Sri.B. Vijayakumar
Details of relationship with other Directors, Manager and Key Managerial Personnel of the Company.	Daughter of Sri.B.Vijayakumar and wife of Sri.Rajiv Parthasarathy	No inter-se relationship with other Directors or KMPs	No inter-se relationship with other Directors or KMPs	Smt. Rajsri Vijayakumar - Daughter Sri. Rajiv Parthasarathy - Daughter's Husband
Details of shares held in the Company (including shareholding as a beneficial owner) (as on March 31, 2024)	21,79,156	4,750	Nil	34,54,000
Details of fully convertible warrants	1,50,000	-	-	2,00,000
List of Directorships held in other Companies as on March 31 st , 2024	<ol style="list-style-type: none"> LGB Forge Limited Super Transports Private Limited L.G.B.Auto Products Private Limited ELGI Automotive Services Private Limited Silent Chain India Private Limited LG Farm Products Private Limited Super Speeds Private Limited Paatimaachi Private Limited Rajvirdhan Private Limited 	<ol style="list-style-type: none"> Silent Chain India Private Ltd Netcon Technologies India Private Ltd 	NIL	<ol style="list-style-type: none"> LGB Forge Limited Elgi Equipments Limited South Western Engineering India Private Limited LG Sports Private Limited L.G.B. Auto Products Private Limited LG Farm Products Private Limited Super Speeds Private Limited Super Transports Private Limited Magriver Private Limited D Engines Private Limited Primekart Zone Private Limited

Name of Director	Smt Rajsri Vijayakumar	Sri. P. Prabakaran	Sri.J.Dinesh Kumar	Sri.B. Vijayakumar
Name of Listed Companies from which the Director has resigned in the past three years	NIL	NIL	NIL	NIL
Chairman/Member of the Committees of other public companies as on March 31 st , 2024 (includes audit committee and stakeholder's relationship committee)	Member of Audit and Stakeholder Relationship committee in LGB Forge Limited	NIL	NIL	NIL

BOARD'S REPORT

DEAR SHAREHOLDERS,

Your Directors take immense pleasure in presenting the **Sixty Eighth (68th)** Annual Report of the Company together with the Audited Annual Financial Statements (Standalone and Consolidated) showing the financial position of the Company for the Financial Year ended March 31, 2024.

FINANCIAL RESULTS

Summary of the operations of the Company on standalone and consolidated basis for the financial year ended March 31, 2024 is as follows:

Particulars	Consolidated		Standalone	
	31.03.2024 (₹ In Lakhs)	31.03.2023 (₹ In Lakhs)	31.03.2024 (₹ In Lakhs)	31.03.2023 (₹ In Lakhs)
TOTAL INCOME	2,39,547.19	2,22,889.42	2,28,015.84	2,11,156.93
Profit before interest, depreciation & Tax	44,393.81	40,608.37	43,565.94	39,475.15
Less : Interest	807.72	660.39	719.04	602.60
Depreciation	7,795.42	7,946.79	7,270.34	7,355.42
PROFIT BEFORE TAX	35,790.67	32,001.19	35,576.56	31,517.13
Add : Exceptional items	680.67	2,029.48	680.67	2,029.48
Less : Provisions for Taxation				
Current Income Tax / MAT	9,581.39	8,705.75	9,566.53	8,684.91
Current tax expenses relating to previous year	-	-	-	-
Deferred Tax (Credit / charge)	(259.63)	92.12	(259.63)	92.12
PROFIT AFTER TAX	27,149.58	25,232.80	26,950.33	24,769.58

REVIEW OF OPERATIONS

On consolidated basis, during the year ended March 31, 2024, your Company registered its revenue from Operations of ₹ 2,39,547.19 lakhs against ₹ 2,22,889.42 Lakhs in the previous financial year 2022-23 delivering a topline growth of 7.47% over previous financial year 2022-23. Net profit after tax of the Company also improved to ₹ 27,149.58 Lakhs as against ₹ 25,232.80 Lakhs of the previous year, thus delivering a growth of 7.60% over the previous financial year 2022-23.

On a standalone basis, during the year ended March 31, 2024, your Company registered its revenue from Operations of ₹ 2,28,015.84 Lakhs against ₹ 2,11,156.93 Lakhs in the previous financial year 2022-23 delivering a topline growth of 7.98% over previous financial year 2022-23. Net profit after tax of the Company also improved to ₹ 26,950.33 Lakhs as against ₹ 24,769.58 Lakhs of the previous year, thus delivering a growth of 8.80% over the previous financial year 2022-23.

SETTING UP OF NEW MANUFACTURING PLANT AT ADDITIONAL BULTIBORI MIDC INDUSTRIAL AREA-NAGPUR FOR MANUFACTURING OF POWER TRANSMISSION CHAINS AND RELATED PRODUCTS FOR AUTO AND INDUSTRIAL APPLICATION UNDER MEGA PROJECT SCHEME.

During the year under review, the Company has commenced construction of Factory on the allotment of Land at Additional Bultibori MIDC Industrial Area Nagpur for establishment of New Manufacturing Plant for manufacturing of Power Transmission Chains and related Products for Auto and Industrial Application under MEGA Project Scheme.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the Financial Year ended 31st March 2024.

TRANSFER TO RESERVES

The Company has transferred an amount of ₹ 20,000 Lakhs to the General Reserves out of the current profits available for appropriations and the remaining amount of ₹ 12,900.83 Lakhs has been retained in the Surplus in Profit and Loss Account.

DIVIDEND

In line with Dividend Distribution Policy and in recognition of the financial performance during financial year 2023-2024, your Directors are pleased to recommend a dividend of ₹ 18/- per equity share on face value of ₹ 10/- each i.e., 180% on the 3,13,92,416 equity shares for the financial year ended March 31, 2024. The dividend, if approved by the shareholders at the ensuing Annual General Meeting of the Company, shall be payable to those Shareholders whose names appear in the Register of Members as on the Record Date i.e. August 22, 2024.

Pursuant to the Finance Act 2020, dividend income is taxable in the hands of the shareholders effective from 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to the members at the prescribed rates as per the Income Tax Act, 1961.

Pursuant to the requirements of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Dividend Distribution Policy of the Company is available on the Company's website at <https://www.lgb.co.in/wp-content/uploads/2021/09/LGB-Dividend-Distribution-Policy.pdf>

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND ("IEPF")

Pursuant to the provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time ("the Rules"), all amount of dividends which remains unpaid or unclaimed for a period of 7 years are required to be transferred by the Company to the IEPF Authority. Further, according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years shall also be transferred to the demat account of the IEPF Authority. Accordingly, the Company has transferred the amount of dividend which remained unclaimed for a period of 7 years in respect of the Financial Year 2015-16 along with 5,093 shares to the Investor Education and Protection Fund (IEPF).

Further, the amount of dividend relating to the financial year 2016-17 which would remain unclaimed after the expiry of seven years would be transferred to the Investor Education and Protection Fund along with underlying equity shares in accordance with the provisions of the Act and its Rules.

The details are also made available on the website of the Company:

<https://www.lgb.co.in/investor-relations/transfer-of-shares-to-iepf/>

SHARE CAPITAL

As on March 31, 2024, the Authorized Share Capital of the Company stood at ₹ 47,00,00,000/- divided into 4,70,00,000 equity shares of ₹ 10/- each.

The Paid-up Equity Share Capital of the Company as on March 31, 2024 on a non-diluted basis was ₹ 31,39,24,160/- divided into 3,13,92,416 equity shares of ₹ 10/- each.

During the year, pursuant to the provisions of Sections 23(1)(b), 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with applicable rules made thereunder and in accordance with provisions of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Company has

obtained the In-Principle Approval Letter dated 4th March, 2024 of BSE Limited and National Stock Exchange of India Limited, being the Stock Exchange(s) where the Company's equity shares are listed and the approval of the members of the Company by means of a special resolution passed at the Extra-Ordinary General Meeting held on 2nd March, 2024 and had offered and issued 5,00,000 (five lakhs) Warrants, each fully convertible into, or exchangeable for, 1 (one) fully paid-up Equity Share of the Company having face value of ₹ 10/- each (Rupees Ten only) within a period not exceeding 18 months ("Warrants"), for cash at a price of ₹ 1,292/- (Rupees One Thousand Two Hundred and Ninety Two only) per Warrant (including a premium of ₹ 1,282/- per Warrant) ("Warrants Issue Price") to (a) Sri. B. Vijayakumar (Promoter), (b) Smt. Rajsri Vijayakumar (Promoter Group) (c) M/s. L.G.B Auto Products Private Limited (Promoter Group) and (d) M/s. LG Sports Private Limited (Promoter Group) on a preferential basis.

Accordingly, the Company has received the requisite subscription money of an amount equivalent to 25% (twenty five percent) of the Warrants Issue Price and has allotted 5,00,000 Warrants to the Subscriber(s) on 13th March, 2024 on preferential basis and complied with the provisions of the Act and other applicable Regulations made thereunder. The balance consideration of an amount equivalent to 75% (seventy five percent) of the Warrants Issue Price shall be payable by the Warrant Subscribers at the time of exercise of their right attached to the Warrant(s) within a period not exceeding 18 months, to convert or exercise the Warrant(s) and subscribe to Equity Shares of the Company ("Warrant Exercise Amount").

The Company further affirms that there has been no deviation or variation in the utilisation of proceeds of Warrants from the objects stated in the explanatory statement to the Notice of the Extra Ordinary General Meeting held on 2nd March, 2024.

Consequent to the above said allotment of fully convertible warrants, the Paid-up Equity Share Capital of the Company on a fully diluted basis shall be ₹ 31,89,24,160/- divided into 3,18,92,416 equity shares of ₹ 10/- each.

Other than the above, the Company has not issued shares with differential voting rights, sweat equity shares or any other securities during the year under review.

ANNUAL RETURN

As per the provisions of section 92(3) read with section 134(3)(a) of the Act, the Annual Return for the Financial Year ended on March 31, 2024, in the prescribed Form No. MGT-7 is available on the website of the Company at <https://www.lgb.co.in/investor-relations/annual-return-mgt-7/>.

MEETINGS OF THE BOARD AND ITS COMMITTEES

The Board has met 6 times during the Financial Year 2023-24. Further, the details of the meetings of the Board and Committees thereof held during the said period are provided in the Corporate Governance Report, which forms part of this Integrated Annual Report. The Intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

STATEMENT ON COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively. The Company has duly complied with Secretarial Standards issued by the Institute of Company Secretaries of India on the meeting of the Board of Directors (SS-1) and General Meetings (SS-2).

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Board of Directors confirm that, to the best of their knowledge and belief:

- a) that in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit of the Company for that period;
- c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the Directors had prepared the Annual Accounts on a going concern basis;
- e) that the Directors had laid down proper internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

During the year under review, there were no instances of frauds identified or reported by the Statutory Auditors during the course of their audit pursuant to Section 143(12) of the Companies Act, 2013.

DECLARATION OF INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company to the effect that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 read with Schedules and Rules issued thereunder and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that their name is included in the data bank as per Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014 (as amended).

STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS

The Board of Directors has evaluated the performance of the Independent Directors during the year 2023-24 based on the criteria and framework adopted by the Board and opined that the integrity, expertise and experience (including proficiency) of the Independent Directors was satisfactory.

COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND OTHER MATTERS PROVIDED UNDER SECTION 178(3) OF THE COMPANIES ACT, 2013

The Board, on the recommendation of the Nomination and Remuneration Committee, has formulated a policy which covers selection and appointment of Directors, Key Managerial Personnel, Senior Management and the criteria for payment of their remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Act and SEBI Listing Regulations. The salient features of the Nomination and Remuneration Policy of the Company is annexed herewith as **Annexure I** and the full policy can be accessed on the Company's website at <https://www.lgb.co.in/wp-content/uploads/2022/07/Nomination-Remuneration-Policy.pdf>.

COMMENTS ON AUDITORS' REPORT

There were no qualifications, reservations, adverse remarks or disclaimers made by M/s. Suri & Co., Chartered Accountants (Firm Registration No. 0042835), Statutory Auditors, in their report for the year ended March 31, 2024.

With respect to the observations made by M/s. MDS & Associates LLP, Company Secretaries, Coimbatore, the Secretarial Auditors of the Company in their report for the year ended March 31, 2024, which are self-explanatory, your Directors wish to state that necessary steps has been initiated to ensure compliance with all applicable statutory requirements.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not granted any loans or given guarantees or provided securities falling within the purview of Section 186 of the Companies Act, 2013 during the year under review. The details of investments made pursuant to the provisions of Section 186 of the Companies Act, 2013 have been disclosed in the notes to the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All related party transactions as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which were entered during the Financial Year were in the ordinary course of business and on an arm's length basis. Since there are no related party transactions which are material in nature, the disclosure in Form AOC- 2 does not arise. However, the details of all transactions with related parties have been disclosed in Notes to the Financial Statements forming an integral part of this Report.

In accordance with the requirements of the Listing Regulations, the Company has also adopted Policy on Materiality and dealing with Related Party Transactions and the same has been placed on the website of the Company at <https://www.lgb.co.in/investor-relations/related-party-transaction/>

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There have been no material changes and commitments affecting the financial position of the Company since the end of the financial year till the date of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule, 8 of the Companies (Accounts) Rules, 2014, as amended from time to time, is annexed herewith as "ANNEXURE-A".

RISK MANAGEMENT POLICY

The Company has formulated an Enterprise Risk Management policy in accordance with the recommendations of the Risk Management Committee of the Board of Directors, and pursuant to Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Risk Management Charter and Policy institutionalize a formal risk management function and framework consisting of risk identification and risk management process, risk governance and communication structure.

The Company has also laid down procedures to inform the Audit Committee as well as the Board of Directors about risk assessment and management procedures.

The Risk Management policy provides a structured, consistent, and continuous process across the whole organization for identifying and assessing risk, deciding on mitigations, and reporting on the opportunities and threats that may affect the achievement of its strategic objectives. The Policy is available on the website at <https://www.lgb.co.in/wp-content/uploads/2021/08/risk-management-policy.pdf>.

DETAILS ABOUT THE POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Your Company believes that corporates have a significant role to play in bringing about social change. And your Company has kept its social and development mandate flexible and responsive to development challenges. Your Company’s Corporate Social Responsibility strategy has evolved to focus on areas it sees as key for positive change.

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility Committee and has adopted a Corporate Social Responsibility (CSR) Policy. The detailed composition of the CSR Committee, number of meetings held during the year under review and other related details are set out in the Corporate Governance Report which forms part of this Report. The Company’s CSR policy is available on its website at <https://www.lgb.co.in/wp-content/uploads/2023/08/Corporate-Social-Responsibility-Policy.pdf>.

As a part of its CSR initiatives, the Company has undertaken various projects in accordance with Schedule VII of the Companies Act, 2013 and the Company’s CSR policy. The Annual Report on CSR activities in terms of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as “Annexure- B” and forms a part of this report.

ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Act and SEBI Listing Regulations the annual evaluation of the performance of the Board, its Committees and of every Directors individually has been carried out based on a structured questionnaire, formulated in accordance with the performance evaluation criteria approved by the Nomination and Remuneration Committee.

The Board’s own performance was evaluated based on certain parameters like structure, governance, dynamics and functioning and review of operations, financials, internal controls etc. The Committees of the Board were evaluated based on the terms of reference specified by the Board.

The performance of the individual Directors including Independent Directors were evaluated based on the criteria laid down under the Nomination and Remuneration Policy and the Code of Conduct as laid down by the Board.

Further, the Independent Directors has met on March 16, 2024 and evaluated the performance of the Board as a whole, its Chairman and Non-Executive Non-Independent Directors and considered other items as stipulated under Schedule IV of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The criteria for evaluation of the performance of the Non-Executive Directors and Independent Directors have also been explained in the Corporate Governance Report annexed to this Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In pursuance of the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Smt. Rajsri Vijayakumar (DIN: 00018244) and Sri. P. Prabakaran (DIN: 01709564), retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, they have offered themselves for re-appointment. Your Directors recommends their re-appointment.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at their meeting held on April 29, 2024, has recommended the appointment of Sri. J. Dinesh Kumar (DIN: 10586227) as a Non-Executive Independent Director to hold such office for a first term of 5 consecutive years effective from September 01, 2024 for the approval of the members of the Company at the ensuing 68th Annual General Meeting by way of passing a special resolution in accordance with the provisions of Section 149 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also received necessary consent and declaration from the appointee Independent Director that he fulfils the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, necessary special

resolution is included in the notice of the ensuing 68th Annual General Meeting for the approval of the members. Your Directors recommends his appointment.

Based on the recommendation of the Nomination and Remuneration Committee and the approval of the Audit Committee, the Board of Directors, at their meeting held on April 29, 2024, has approved the re-appointment of Sri. B. Vijayakumar (DIN: 00015583), aged 71 years, as Executive Chairman of the Company for a further period of 5 (five) years with effect from January 01, 2025 and the remuneration payable to him, subject to the approval of the members by means of passing a special resolution. Accordingly, necessary special resolution has been included in the Agenda of the Notice of the Sixty Eighth Annual General Meeting of the Company. Your Directors recommends for his re-appointment.

Based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors and pursuant to the approval of the members by means of passing a special resolution at their Extra-Ordinary General Meeting held on March 02, 2024, Mrs. Kanchana Manavalan (DIN: 07497403) was re-appointed as an Independent Director for the second term of 5 (five) consecutive years with effect from January 31, 2024 and complied with the provisions of the Act.

Based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors and pursuant to the approval of the members by means of passing a special resolution at their Extra-Ordinary General Meeting held on March 02, 2024, Sri.G.D.Rajkumar (DIN: 00197696) was re-appointed as an Independent Director for the second term of 5 (five) consecutive years with effect from April 29, 2024 and complied with the provisions of the Act.

The Board is of the opinion that Mrs. Kanchana Manavalan (DIN: 07497403) and Sri.G.D.Rajkumar (DIN: 00197696), the Independent Directors, possess the requisite integrity, experience and expertise (including the proficiency).

Based on the recommendation of the Nomination and Remuneration Committee and the approval of the Audit Committee and the Board of Directors, the members at their Extra-Ordinary General Meeting held on March 02, 2024 has approved the re-appointment of Sri.P.Prabakaran (DIN:01709564), who will attain the age of 70 (seventy) years during the year 2029, as Managing Director of the Company for a further period of 5 (five) years with effect from June 1, 2024 and the remuneration payable to him by means of passing a special resolution and complied with the provisions of the Act.

Based on the recommendation of the Nomination and Remuneration Committee and the approval of the Audit Committee and the Board of Directors, the members at their Extra-Ordinary General Meeting held on March 02, 2024 has approved the re-appointment of Sri. Rajiv Parthasarathy (DIN: 02495329) as an Executive Director of the Company for a further period of 5 (five) years with effect from August 01, 2024 and the remuneration payable to him by means of passing a special resolution and complied with the provisions of the Act.

Other than the above, there is no change in the composition of the Board of Directors and Key Managerial Personnel of the Company.

The following are the Key Managerial Personnel of the Company as on March 31, 2024 and as on the date of this Report:

Sri.B.Vijayakumar (DIN: 00015583), Executive Chairman
Sri.P.Prabakaran (DIN:01709564), Managing Director
Sri.Rajiv Parthasarathy (DIN: 02495329), Executive Director
Sri.N.Rengaraj, Chief Financial Officer
Sri.M.Lakshmikanth Joshi, Senior General Manager (Legal) and Company Secretary & Compliance Officer

SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As of March 31, 2024, the Company has four subsidiaries viz., LGB USA INC, (Direct Overseas Subsidiary), GFM Acquisition LLC (Step down overseas subsidiary), GFM LLC (Step down overseas subsidiary) and RSAL Steel Private Limited (Wholly owned subsidiary). The Company has laid down policy on material subsidiary and the same is placed on the website <https://www.lgb.co.in/wp-content/uploads/2021/08/policy-for-determining-material-subsidiaries.pdf>

None of the subsidiaries are material subsidiary for the financial year ended 31st March 2024 as per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company does not have any Joint Ventures or Associate Companies during the reporting period.

COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR - ACQUISITION OF RSAL STEEL PRIVATE LIMITED AS WHOLLY OWNED SUBSIDIARY UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS (“CIRP”)

The Company had submitted a Resolution Plan (“Resolution Plan”) for acquisition of RSAL Steel Private Limited (“RSPL”) under the Corporate Insolvency Resolution Process (“CIRP”) in terms of the Insolvency and Bankruptcy Code, 2016 (the “IBC”). Accordingly, the Resolution Plan submitted by the Company was approved by the Hon’ble National Company Law Tribunal, Mumbai Bench, Court-II (“NCLT”), vide its Order dated 9th January, 2024 and the said Resolution Plan has become effective from the said date.

Further, in terms of the approved Resolution Plan and in compliance with the order of the Hon’ble NCLT, Mumbai, the conditions precedents as contemplated under the approved Resolution plan were achieved on 07.02.2024 including the release of the entire payments by the LGB as proposed under the approved Resolution Plan. Accordingly, in terms of the approved Resolution Plan M/s. RSAL Steel Private Limited stands 100% wholly Owned Subsidiary of L.G.Balakrishnan & Bros Limited as on February 13,2024.

RSAL primarily engaged in the Manufacturing of cold rolled close annealed (CRCA) strips which constitute a large portion of the raw materials for manufacturing these chains which is helpful for LGB’s captive requirement.

Further, none of the Company / Body Corporate have ceased to be a subsidiary of LGB during the year under review.

ANNUAL ACCOUNTS OF SUBSIDIARIES

In accordance with Section 129(3) of the Act read with rules made thereunder, a statement containing salient features of the financial position of Subsidiaries is given in Form AOC-1 attached as an “ANNEXURE C” forming integral part of this Report. As required under Section 134 of the Act, the said form also highlights the performance of the subsidiaries.

The consolidated financial statements of the Company and its subsidiaries prepared in accordance with the applicable accounting standards have been annexed to the Annual Report. Further, in accordance to the provisions of Section 136(1) of the Act, the annual accounts of the subsidiary Company have been placed on the website of the Company at <https://www.lgb.co.in/investor-relations/annual-reports/>

DEPOSITS

Pursuant to the provisions of Section 73 to 76 of the Companies Act, 2013 read with its relevant Rules governing deposits, the Company has obtained the approval of its members by way of passing a Special Resolution at the Annual General Meeting held on 10.09.2015 for inviting/ accepting/ renewing deposits from Members and public within the limits prescribed under the Companies Act, 2013 and the rules framed there under.

As of March 31 2024, the deposits accepted by the Company from public and shareholders aggregated to ₹ 1507.19 Lakhs, which are within the limits prescribed under the Companies Act, 2013 and the rules framed there under.

Further, in accordance with the provisions of the Companies Act, 2013 read with relevant Rules made thereunder, your Company has obtained a credit rating “ICRAAA”(stable) for its fixed deposit from ICRA Limited (“Credit Rating Agency”).

The details relating to deposits covered under Chapter V of the 2013 Act are given here under:

	₹ in lakhs
Amount of deposits as on 01.04.2023	1,396.15
Deposits accepted during the year	181.85
Deposits repaid during the year	70.81
Amount of deposits as on 31.03.2024	1,507.19
Deposits remaining unpaid or unclaimed as at the end of the year	Nil
Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved	Nil
a. At the beginning of the year	1,396.15
b. Maximum during the year	1,508.29
c. At the end of the year	1,507.19

The details of deposits which are not in compliance with the requirements of Chapter V of the Act Nil

In accordance with Rule 16A of the Companies (Acceptance of Deposits) Rules, 2014, the monies received from the Directors, if any, has been disclosed under relevant notes to the Financial Statements.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY’S OPERATIONS IN FUTURE

No significant or material orders were passed, during the period under review, by the regulators or courts or tribunals impacting the going concern status and Company’s operations in future.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company maintains an effective Internal Control System commensurate with its size and complexity, providing reasonable assurance of authorised and accurately recorded transactions. An independent Internal Audit function, coupled with extensive internal audits and periodic reviews, ensures the adequacy of internal control systems. Your Company remains committed to minimising identified risks through continuous monitoring and mitigating actions. During the Financial Year, such controls were tested and no reportable material deficiency in controls were observed. Internal Financial Controls are evaluated, and Internal Auditors’ Reports are regularly reviewed by the Audit Committee of the Board.

Statutory Auditors Report on Internal Financial Controls as required under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 (“the Act”) is annexed with the Independent Auditors’ Report.

STATUTORY AUDITORS

As per Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the Members of the Company, at their 66th Annual General Meeting (‘66th AGM’) held on August 25, 2022, had approved the re-appointment of M/s.Suri & Co, Chartered Accountants (Firm Registration No. 004283S), as the Statutory Auditors of the Company to hold such office for a second term of five consecutive years from the conclusion of 66th AGM till the conclusion of 71st AGM to be held during the year 2027. Accordingly, no resolution for appointment of statutory auditors is included in the Notice convening the 68th Annual General Meeting.

The Statutory Auditors have also confirmed that they have subjected themselves to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board

of the ICAI. The Company has also obtained necessary consent under Section 139 and eligibility certificate under Section 141 from the Statutory Auditors to the effect that their appointment is in conformity with the provisions of the Companies Act, 2013.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and its relevant rules made thereunder and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors had appointed M/s. MDS & Associates LLP (ICSI Peer Review No.3030/2023), Company Secretaries, Coimbatore as Secretarial Auditors for the Financial Year 2023-24. Accordingly, the Secretarial Audit Report for the financial year ended March 31, 2024 is annexed herewith as “Annexure - D” to this Report.

Further, the Secretarial Auditors have also confirmed that they have subjected themselves to the peer review process of the Institute of Company Secretaries of India (ICSI) and hold a valid certificate issued by the Peer Review Board of the ICSI.

COST AUDITOR AND MAINTENANCE OF COST RECORDS

The Company has made and maintained cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 and accordingly such accounts and records are maintained by the Company.

The Board of Directors, on the recommendation of Audit Committee, has re-appointed Dr.G.L. Sankaran (Membership No.4482) as Cost Auditor to audit the cost accounts of the Company for the financial year 2024-25 and approved the remuneration payable to him. As required under the Companies Act, 2013 a resolution seeking Members’ ratification for the remuneration payable to the Cost Auditor forms part of the notice convening the 68th Annual General Meeting. Your Directors recommends the ratification of the remuneration payable to the Cost Auditor.

The Cost Audit Report for FY 2023-2024 will be filed with the Central Government within the timeline stipulated under the Companies Act, 2013.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Your Company firmly believes in providing a safe, supportive and friendly workplace environment - a workplace where our values come to life through the supporting behaviors. Positive workplace environment and a great employee experience are integral part of our culture. Your Company continues to take various measures to ensure a workplace free from discrimination and harassment based on gender. The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder. Also, the Company has complied with the provisions relating to the constitution of Internal Complaints Committee. The Company has not received any complaints on sexual harassment during the year under review and there are no unresolved complaints as on March 31, 2024.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR

The Company has not made any application or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (“IBC Code”) during the Financial Year and does not have any proceedings related to IBC Code.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The Company has not made any onetime settlement during the Financial Year 2023-24 with Banks or Financial Institution and hence, the disclosure under this clause is not applicable.

DISCLOSURE UNDER SECTION 197(12) AND RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The requisite details relating to ratio of remuneration, percentage increase in remuneration etc., as stipulated under Section 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as “ANNEXURE-E” to this Report.

Further, a statement showing the names and other particulars of top ten employees in terms of remuneration drawn and of employees drawing remuneration in excess of the limits required under Section 197(12) of the Act read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as “ANNEXURE-F” and forms part of this Report.

MANAGEMENT DISCUSSION & ANALYSIS

As per the requirement of Regulation 34(2) (e) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed Management Discussion and Analysis Report is annexed as “ANNEXURE - G” and forms part of this Annual Report.

CORPORATE GOVERNANCE REPORT

Your Company reaffirms its commitment to the highest standards of corporate governance practices. The Company follows the principles of Corporate Governance in letter and spirit. A detailed Corporate Governance Report (“CG Report”) as stipulated under Regulation 34(3) read with Part C of Schedule V of the Listing Regulations is forming part of this Annual Report. The requisite certificate from Mr. M. D. Selvaraj (FCS: 960 / COP: 411), Managing Partner of M/s. MDS & Associates LLP (ICSI Peer Review No.3030/2023), Company Secretaries, Coimbatore confirming compliance with the conditions of corporate governance is attached to the CG Report as “ANNEXURE H”.

AUDIT COMMITTEE

As provided in Section 177(8) of the Act and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has constituted an Audit Committee. The detailed information about composition of Audit Committee and other details are given in the Corporate Governance Report, which forms a part of the Annual Report. During the year under review, the Board has accepted all the recommendations of the Audit Committee.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

As per the provisions of Section 177(9) of the Act and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to establish a Vigil Mechanism for Directors and employees to report genuine concerns. The Company has a Policy for Prevention, Detection and Investigation of Frauds and Protection of Whistleblowers (“the Whistleblower Policy”) in place and the details of the Whistleblower Policy are provided in the Report on Corporate Governance forming part of this Report. The Company has disclosed information about the establishment of the Whistleblower Policy on its website <https://www.lgb.co.in/wp-content/uploads/2021/08/whistle-blower-policy.pdf>.

LISTING OF EQUITY SHARES

The Company’s Equity Shares continue to be listed on National Stock Exchange of India Limited and BSE Limited (“Stock Exchanges”) and the details of listing have been given in the Corporate Governance Report forming part of this Directors’ Report. We confirm that the Listing fee for the Financial Year 2024-2025 has been paid to the Stock Exchanges within the stipulated time.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the initiatives taken by the Company from an environmental, social and governance perspective, are provided in the Business Responsibility and Sustainability Report which is annexed as “ANNEXURE I” and forms an integral part of the Annual Report.

HUMAN RESOURCE

LGB recognises its workforce as an essential resource that makes an invaluable contribution to the Company’s growth. Apart from the traditional responsibilities of the HR department, such as ensuring equitable benefits and compensation, overseeing employee engagement and retention, enhancing diversity, and handling workplace issues, the Company has remained committed to the safety of all its employees and partners. All necessary precautions and safety measures were implemented by the Company, across all its locations.

Employee relations continued to be cordial and harmonious across all levels and across all its locations of the Company.

INSURANCE

The Company’s plants, properties, equipment’s and stocks are adequately insured against all major risks. The Company has insurance cover for product liability. The Company has also taken Directors’ and Officers’ Liability Policy to provide coverage against the liabilities arising on them.

ACKNOWLEDGEMENT

Your Directors acknowledge with gratitude the Trust, Faith and Co-operation and assistance received from the Shareholders, Bankers, Customers, Vendors and Other Business Associates, as well as the Employees and other stake holders and look forward to their continued support.

For and on behalf of the Board of Directors

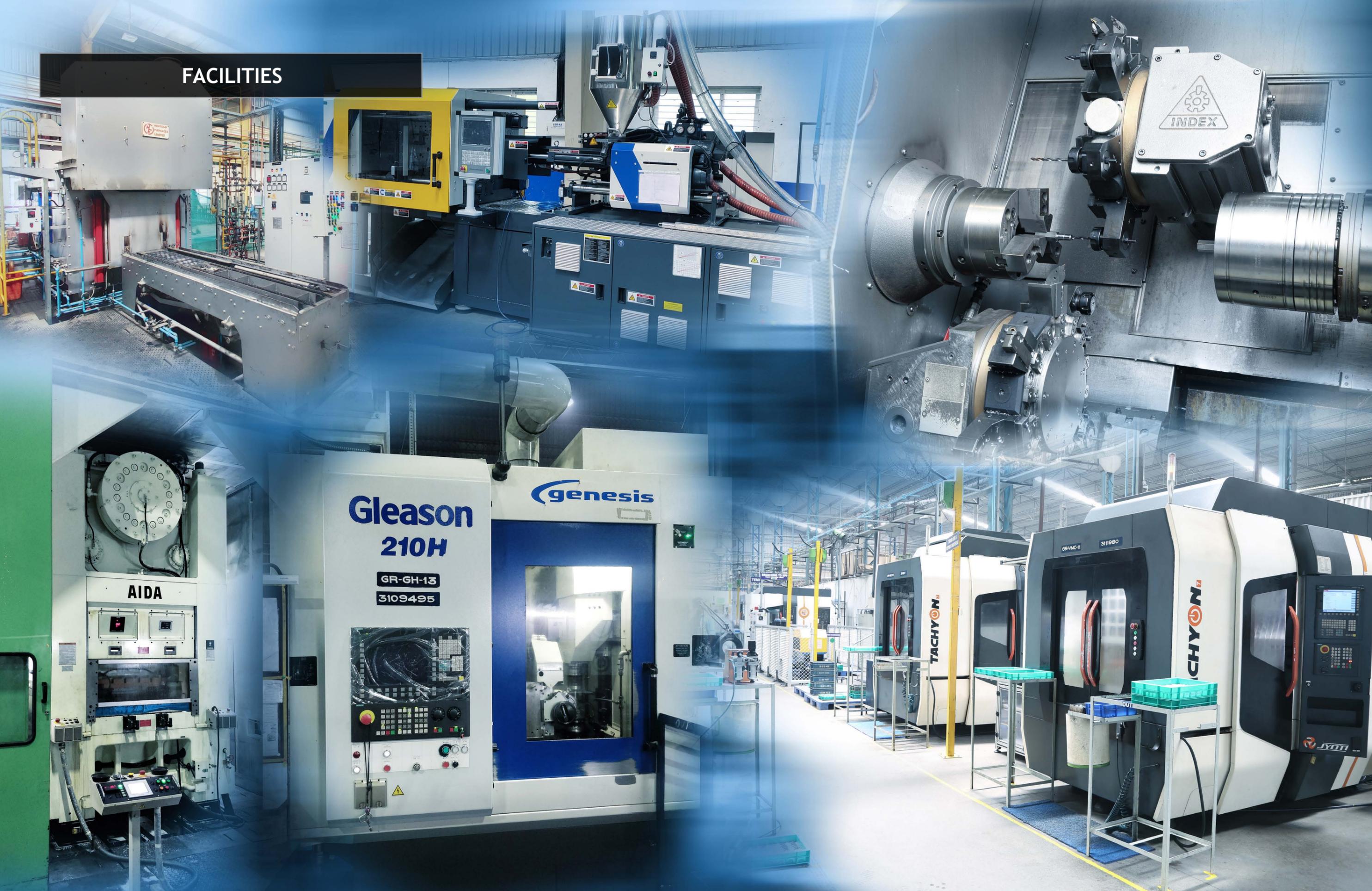
B. VIJAYAKUMAR
Executive Chairman
DIN: 00015583

P.PRABAKARAN
Managing Director
DIN:01709564

Place : Coimbatore
Date : 29.04.2024



FACILITIES



Gleason
210H

GR-6H-13
3109495

genesis

AIDA

TACHYON

TACHYON

YOTI

ANNEXURE A

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is as follows:

A. CONSERVATION OF ENERGY

Steps taken or impact on conservation of energy:

Conservation of Electrical Power:

The Company has made good strides in energy efficiency and conservation during the last few years through strategic and thoughtful approach and continue to lay its thrust on combination of energy conservation and transition technologies by adopting energy efficient technologies and practices for ensuring sustainable growth through responsible consumption and behavioural changes. Continuous measures are being adapted in the Company for energy conservation.

The total renewable power consumption aggregates to 142.84 lakh units during the financial year 2023-2024 (130.70 lakhs units during the financial year 2022-2023) which represents 14.73% of total power consumption. The use of renewable power sources has resulted in reduction of emission of Green House Gases equivalent to 115.63 MT CO₂.

Steps taken or impact on conservation of energy:

The Company also focused on energy savings at its manufacturing units through implementation of energy conservation initiatives / projects. The steps taken on conservation of energy are as follows: -

The Company is taking every possible steps to conserve the energy wherever possible by stream lining the production process.

- a) The Company have installed windmill of 6.87 MW generating capacity which has generated 102.34 Lakh KWH (units)/annum during last financial year FY 2023-24.
- b) The Company has also installed and commissioned 2.89 MW Capacity Rooftop /Ground Mounted Solar Plant's which has generated 40.50 Lakh KWH (units)/annum.
- c) The Company is in the process of developing its own solar power projects with 9.375 MWp Capacity and Group Captive Power 6.5 MWp capacity during current FY 2024-25
- d) The Company has Introduced skylight roof sheets for daylight harvesting.
- e) The Company utilizing STP & ETP Treated water to gardening purpose to save Ground water.
- f) The Company has replaced all CFL lights with LED lights which will have more than 50% power saving impact. Efforts are being taken to explore each and every possibility of further reduction in energy consumption.
- g) The Company adhered to a regular, well-planned schedule of maintenance in order to ensure the effective operation of all plant machines.
- h) The Company has selected energy efficient transformer and other energy efficient latest electrical equipment for new projects.
- i) The Company also focused on energy savings at its manufacturing units through implementation of energy conservation initiatives / projects. The steps taken on conservation of energy are as follows:
 - 1) Reduction in power consumption by revamping the old furnaces and thereby eliminating the heat loss and getting good quality output.

- 2) Reduction in transformer loss by switching off one transformer and sharing the load to another transformer during Sunday/Holidays.
- 3) Power consumption of air compressors has been reduced by eliminating air leakages in pipelines and setting the required air pressure.
- 4) VFD system installed in higher capacity motors to conserve energy.
- 5) Thyristor controls installed in furnace heaters to maintaining the desired temperature.
- 6) Thermography study conducting in electrical system and eliminating over heating of electrical equipments.
- 7) Selection of appropriate size of cable for electrical equipments and machineries to avoid cable loss.
- 8) Inverter type 3 Star/5 Star Split AC using in office area.
- 9) Latest energy efficient EFF clause -2 motors using in our machineries.
- 10) Installed Heli fans in shop floor roof area and eliminated huge number of wall mount/stand mount type industrial man coolers thereby resulting in achieving energy saving.
- 11) In office & Shop area, lights were converted into LED lights.
- 12) All wash basin water taps were converted into sensor type to reduce water consumption.
- 13) In machine shop roof, facilities adopted with polycarbonate sheet for natural lights & provided natural turbo ventilators.
- 14) Energy saving panel for lightings through main feeder.
- 15) Dripping system in some areas for gardening.
- 16) Introduction of Natural Turbo Ventilation, which is reckoned as a perfect and natural air exhausting option for the industry.
- 17) Installation of APFC (Automatic Power Factor Controllers) to improve/stabilise power factor.
- 18) Optimum utilisation of energy through process redesigning as well as maximum utilisation of equipment that offers improved energy efficiency.
- 19) Replacement of all conventional high energy consumption lightening, by installation of LED and induction lights in major areas.
- 20) The Company has taken measures to save water whereby 100 percent of the domestic effluent and the trade effluent/sewage is treated and used for gardening.
- 21) Energy conservation awareness training given to employees.

B. .TECHNOLOGY ABSORPTION-

1. EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION:

The Company has developed various processes in the manufacture of Specific Products for Specific Customers. Some of those Customers have also been involved in developing the Processes and the surface treatment of these Products.

We have confidential agreements will all such customers. Hence, we cannot divulge and disclose the details of the Technology that has been absorbed during the year under review.

2. BENEFITS DERIVED LIKE PRODUCT IMPROVEMENT, COST REDUCTION, PRODUCT DEVELOPMENT OR IMPORT SUBSTITUTION

Through the Technology absorption as described above, our Product range has increased with proportionate Increase in the Turnover during the year under review.

3. IN CASE OF IMPORTED TECHNOLOGY (IMPORTED DURING THE LAST THREE YEARS RECKONED FROM THE BEGINNING OF THE FINANCIAL YEAR) -

No Technology has been imported during the year under review.

4. EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT

The Company has incurred a total expenditure of ₹ 847.57 Lakhs (includes Capital and Recurring Expenses) towards Research and Development.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

	2023-24	2022-23
Foreign Exchange earned :	₹ 28,478.19 Lakhs	₹ 24,371.88 Lakhs
Foreign Exchange used :	₹ 5,715.77 Lakhs	₹ 7,539.69 Lakhs

For and on behalf of the Board of Directors

Place : Coimbatore
Date : 29.04.2024

B. VIJAYAKUMAR
Executive Chairman
DIN: 00015583

P.PRABAKARAN
Managing Director
DIN:01709564

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

(as per annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

Our Company's Corporate Social Responsibility (CSR) Policy is designed to guide us in making a positive impact on society while keeping in line with our business activities. Our guiding principles assert that our CSR projects must bring significant value to beneficiaries, align with our business scope, address the needs of the communities we operate in, and contribute to creating self-sustaining movements. Key focus areas include.

- ☞ enhancing livelihood through skill development,
- ☞ promoting education and sports,
- ☞ improving healthcare and sanitation,
- ☞ ensuring environmental sustainability,
- ☞ promoting gender equality,
- ☞ empowering marginalized groups.

Our CSR activities can be expanded upon the recommendation of the CSR Committee and approval from our Board of Directors in accordance with Schedule VII of the Act. Governance of this policy is overseen by the Board and the CSR Committee, which ensures that all CSR initiatives align with the policy and the Companies Act, 2013. The Committee also develops and executes an Annual Action Plan outlining the CSR projects for the year. The Board reviews this plan, monitors the implementation of projects and ensures that funds are utilized for their approved purposes. Modifications to the projects or fund utilization plans can be made with reasonable justification.

2. COMPOSITION OF CSR COMMITTEE:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. B Vijayakumar	Chairman	5	5
2.	Mr. R Vidhyashankar	Member	5	5
3.	Mrs. Rajsri Vijayakumar	Member	5	5
4.	Mr. P Prabakaran	Member	5	5

3. PROVIDE THE WEBLINK(S) WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:

CSR Committee:	https://www.lgb.co.in/wp-content/uploads/2024/05/COMPOSITION-OF-COMMITTEES.pdf
CSR Policy:	https://www.lgb.co.in/wp-content/uploads/2023/08/Corporate-Social-Responsibility-Policy.pdf
CSR Projects:	https://www.lgb.co.in/wp-content/uploads/2024/07/CSR-Projects.pdf

4. PROVIDE THE EXECUTIVE SUMMARY ALONG WITH WEB-LINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8, IF APPLICABLE.

Impact Assessment of CSR Projects is not applicable.

- 5. (a) Average net profit of the Company as per Section 135 (5) : ₹ 28,462.18 Lakhs
- (b) Two percent of average net profit of the Company as per section 135(5) : ₹ 569.24 Lakhs
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. : Nil
- (d) Amount required to be set off for the financial year, if any : Nil
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)] : ₹ 569.24 Lakhs
- 6. (a) Amount spent on CSR Projects : Nil
 - (i) On going Project : Nil
 - (ii) Other than On going Project : ₹ 196.94 Lakhs
- (b) Amount spent in Administrative Overheads : Nil
- (c) Amount spent on Impact Assessment, if applicable : Nil
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)] : ₹ 196.94 Lakhs
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in Lakhs)	Amount Unspent (in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
196.94	375.00	29.04.2024	Nil	Nil	Nil

(f) Excess amount for set off, if any

S. No.	Particular	Amount (in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	569.24
(ii)	Total amount spent for the Financial Year	196.94
(iii)	Excess amount spent for the financial year ((ii)-(i))	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years ((iii)-(iv))	Nil

7. Details of Unspent CSR amount for the preceding three financial years:

S. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135 (6)	Balance amount in unspent CSR amount under section 135(6)	Amount spent in the Financial Year	Amount transferred to a fund as specified under Schedule VII as per section 135(5), if any		Amount remaining to be spent in succeeding financial years	Deficiency, if any
					Amount	Date of transfer		
1	2020-21	-	-	-	-	-	-	-
2	2021-22	101.04	-	101.04	-	-	-	-
3	2022-23	181.00	82.29	98.71	-	-	-	-
	TOTAL	282.04	82.29	199.75	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

No

If Yes, enter the number of Capital assets created / acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
1	2	3	4	5	6		
NOT APPLICABLE							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Not Applicable.

Place : Coimbatore
Date : 29.04.2024

B VIJAYAKUMAR
Chairman of the CSR Committee
DIN: 00015583

P.PRABAKARAN
Managing Director
DIN:01709564

SCHOOL BUILDING PROJECT - TSA GOVERNMENT HIGHER SECONDARY SCHOOL, KATTAMPATTI, ANNUR



ANNEXURE C

FORM AOC-1

(Pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the Financial Statement of Subsidiaries/Associate Companies/ Joint Ventures.)

Part “A” : Subsidiaries

Figures in Lakhs

Particulars	LGB USA INC		RSAL STEEL PRIVATE LIMITED
	INR	USD	INR
The date since when subsidiary was acquired	October 01, 2012		February 13, 2024
Reporting period for the subsidiary concerned	December 31, 2023		March 31, 2024
Currency	INR	USD	INR
Share Capital	3,392.85	52.40	10.00
Reserves & Surplus	2,591.84	29.33	3,540.72
Other Liabilities	3,554.25	44.81	872.71
Total Liabilities	9,538.94	126.54	4,423.43
Total Assets	9,538.94	126.54	4,423.43
Investments (Excl. investment in subsidiaries)	Nil	Nil	Nil
Turnover & Other Income	11,433.00	138.41	562.61
Profit / (Loss) Before Taxation	294.36	3.46	(80.25)
Provision for Tax (incl: Deferred Tax)	-	-	-
Profit / (Loss) after Taxation	294.36	3.46	(80.25)
Proposed Dividend	Nil	Nil	Nil
% Share Holding	96.00%		100.00%

Notes

- Names of subsidiaries which are yet to commence operations: NIL
- Names of subsidiaries which have been liquidated or sold during the year: NIL

Part “B” : Associates and Joint Ventures

The Company does not have Associates or Joint Ventures during the year 2023-24.

For and on behalf of the Board of Directors

Place : Coimbatore
Date : 29.04.2024

B. VIJAYAKUMAR
Executive Chairman
DIN: 00015583

P.PRABAKARAN
Managing Director
DIN:01709564

ANNEXURE - D

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Members,
L G BALAKRISHNAN & BROS LIMITED,
(CIN: L29191TZ1956PLC000257)
6/16/13 Krishnarayapuram Road
Ganapathy, Coimbatore -641006

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. L G BALAKRISHNAN & BROS LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **M/s. L G BALAKRISHNAN & BROS LIMITED's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended **31st March, 2024**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March 2024 according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment.
- The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
- f. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards with respect to Board Meetings (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI);
- b. The Listing Agreement entered into by the Company with BSE Limited and the National Stock Exchange of India Limited;

During the year under review the Company has complied with the provisions of the Act, Rules, Regulations and Standards etc., mentioned above except that the Company has (a) transferred the underlying equity shares in respect of the unpaid/unclaimed second interim dividend amount relating to FY 2015-16 to the Investor Education and Protection Fund (IEPF) on 10.06.2023, whereas the due date was 13.05.2023; (b) remitted the unpaid/unclaimed dividend amount relating to FY 2015-16 (final dividend) to the Investor Education and Protection Fund (IEPF) on 21.09.2023, whereas the due date was 12.09.2023; (c) transferred the underlying equity shares in respect of the unpaid/unclaimed final dividend amount relating to FY 2015-16 to the Investor Education and Protection Fund (IEPF) on 18.01.2024, whereas the due date was 12.09.2023; (d) has issued letter of confirmation in lieu of duplicate share certificates to its shareholders on 30th September, 2023 for which intimation has been provided to the stock exchanges on 3rd October, 2023, which is beyond the prescribed time.

We further report that, during the year under review, there were no actions/ events in pursuance of the following Rules/Regulations requiring compliance thereof by the Company:

- a. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- b. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- c. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
- d. The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021.

We further report that based on the information provided by the Company, its officers and authorized representatives, there are no laws specifically applicable to the Company.

We further report that having regard to the compliance system prevailing in the Company and on the review of quarterly compliance reports taken on record by the Board of Directors and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the labour and environmental laws as applicable.

We further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same has been subject to review by statutory financial auditor and other designated professionals.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Directors. The change(s) in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except in respect of three Stakeholders Relationship Committee meetings which were convened at shorter notice), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board meetings and Committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

We further report that, during the audit period, the Company has allotted 5,00,000 (five lakhs) Warrants on 13th March, 2024 for cash at a price of ₹ 1,292/- (Rupees One Thousand Two Hundred and Ninety Two only) per Warrant (including a premium of ₹ 1,282/- per Warrant) ("Warrants Issue Price"), on a preferential basis to the Promoter and certain members belonging to Promoter Group, each fully convertible into, or exchangeable for, 1 (one) fully paid-up Equity Share of the Company having face value of ₹ 10/- each (Rupees Ten only) ("Warrants") during the period not exceeding the period of 18 (Eighteen) months commencing from the date of allotment of the Warrants in pursuance of the approval of its members by means of a special resolution passed at their Extra-Ordinary General Meeting held on 2nd March, 2024 under Section(s) 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with relevant Rules made thereunder and Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI ICDR Regulations") and in pursuance of the In-Principle Approval Letter(s) dated 4th March, 2024 received from BSE Limited and the National Stock Exchange of India Ltd ("Stock Exchanges") and has complied with the applicable provisions of the said Act and the Regulations.

We further report that, during the year under review, the Application No. I A No. 1240/MB/C-II /2021 in C.P.(IB) No.2895/MB/C-II/2018 and the Resolution Plan submitted by the Company under the Insolvency and Bankruptcy Code, 2016 for acquisition of RSAL Steel Private Limited (CIN: U28990MH2010PTC211581) under the Corporate Insolvency Resolution Process has been approved by the Hon'ble National Company Law Tribunal, Mumbai Bench, Court-II, vide its Order dated 9th January, 2024 and the said Resolution Plan has become effective from the said date.

We further report that there were no instances of;

- Public / Rights issue of shares / preferential issue of debentures / sweat equity
- Redemption / Buy-back of securities
- Major decision taken by the members in pursuant to Section 180 of the Companies Act, 2013
- Merger / Amalgamation / Reconstruction etc.
- Foreign technical collaborations

Place : Coimbatore

Date : 29.04.2024

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report

For **MDS & Associates LLP**
Company Secretaries
M D SELVARAJ
Managing Partner
FCS No.: 960 / C P No.: 411
UDIN: F000960F000260340
Peer Review No. 3030/2023

'ANNEXURE A' OF MR-3

ANNEXURE TO THE SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

To

The Members,
L.G. BALAKRISHNAN & BROS LIMITED,
(CIN: L29191TZ1956PLC000257)
6/16/13 Krishnarayapuram Road
Ganapathy, Coimbatore -641006

Our report of even date is to be read along with this letter.

- Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
- The compliance of the provisions of corporate and other applicable laws, rules and regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on random test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **MDS & Associates LLP**
Company Secretaries
M D SELVARAJ
Managing Partner
FCS No.: 960 / C P No.: 411
UDIN: F000960F000260340
Peer Review No. 3030/2023

Place : Coimbatore
Date : 29.04.2024

ANNEXURE E

A. Disclosure under Section 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year ended March 31, 2024, and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year ended March 31, 2024:

Sr. No	Director	Category	Remuneration ₹ in lakhs	Median Remuneration	Ratio	% increase / (decrease)
1	Sri.B.Vijayakumar	Executive Chairman	464.53	3.65	127:1	(36%)
2	Sri.P.Prabakaran	Managing Director	326.35	3.65	89:1	18%
3	Sri. Rajiv Parthasarathy	Executive Director	157.18	3.65	17:1.79	171%
4	Smt.Rajsri Vijayakumar	Non-Executive Promoter	-	-	-	-
5	Sri.S.Sivakumar	Non-Executive Non-Independent	-	-	-	-
6	Smt.Kanchana Manavalan	Non-Executive Independent	-	-	-	-
7	Sri.G.D. Rajkumar	Non-Executive Independent	-	-	-	-
8	Sri.V.Govindarajulu	Non-Executive Independent	-	-	-	-
9	Sri.P.Shanmugasundaram	Non-Executive Independent	-	-	-	-
10	Sri.R.Vidhya Shankar	Non-Executive Independent	-	-	-	-
11	Dr.Vinay Balaji Naidu	Non-Executive Independent	-	-	-	-
12	Sri.N.Rengaraj	Chief Financial Officer	62.00	-	-	10%
13	Sri. M. Lakshmi Kanth Joshi	Senior General Manager (Legal) & Company Secretary	45.11	-	-	11%

Note: For this purpose, sitting fees paid to the Directors have not been considered as remuneration

- Percentage increase in the median remuneration of employees in the Financial Year : 6%
- Number of permanent employees on the rolls of Company as on 31st March, 2024 : 2,626
- Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.
Average percentiles increase in remuneration other than managerial personnel is 13% and average percentile increase / (decrease) in remuneration for managerial personnel is -11%.
- Affirmation that the remuneration is as per the remuneration policy of the Company

Your Director affirm that the remuneration is as per the Nomination and Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Place : Coimbatore
Date : 29.04.2024

B. VIJAYAKUMAR
Executive Chairman
DIN: 00015583

P.PRABAKARAN
Managing Director
DIN:01709564

(a) Particulars of employees as per [Rule 5(2) and Rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel Rules), 2014]:

S. No	Name of Employee	Designation	Remuneration Received ₹ In Lakhs	Nature of Employment	Qualification	Experience (Years)	Date of Commencement of Employment	Age	Last Employment	% of Equity Share held
1	B Vijayakumar	Executive Chairman	464.53	Permanent	B.Sc	46	25-11-1986	71	Nil	11.00
2	P Prabhakaran	Managing Director	326.35	Permanent	BE	36	21-03-1988	65	Shanthy Gears Limited	0.02
3	Rajiv Parthasarathy	Executive Director	157.18	Permanent	B.S., (IE)	16	01-08-2021	46	Nil	-
4	N Rengaraj	Chief Financial Officer	62.00	Permanent	MBA., FCA	26	01-03-2004	55	Rubfla International Limited	0.003-
5	P Subbiah	Vice President	52.55	Permanent	B.E., MBA	36	02-07-2007	58	PHC Manufacturing Private Limited	-
6	N Suresh Kumar	Associate Vice President	49.19	Permanent	DME,B.B.A	33	01-02-1995	53	Miltex Engineering Private Limited	-
7	A Ramadass	Chief Technical Officer	47.40	Permanent	AMIIM, MBA	36	21-08-2020	55	Magna Automotive India Private Limited	-
8	M Lakshmi Kanth Joshi	Senior General Manager (Legal) & Company Secretary	45.11	Permanent	MBA., ACS., LLB	26	30-03-2005	57	Veejay Lakshmi Engineering Works Limited	-
9	M Dhanasekar	General Manager	40.50	Permanent	BE, MBA	32	29-11-1998	53	SunJal Engineering private limited	-
10	J.Prakash	General Manager	39.55	Permanent	DME	34	17-01-2000	53	Nil	-

(b) Details of every employee, who was employed throughout the Financial Year, was in receipt of gross remuneration for that year which, in the aggregate, was not less than One Crores Two Lakhs rupees;

S. No	Name of Employee	Designation	Remuneration Received ₹ In Lakhs	Nature of Employment	Qualification	Experience (Years)	Date of Commencement of Employment	Age	Last Employment	% of Equity Share held
1	B Vijayakumar	Executive Chairman	464.53	Permanent	B.Sc	44	25-11-1986	71	Nil	11.00
2	P Prabhakaran	Managing Director	326.35	Permanent	BE	34	21-03-1988	65	Shanthy Gears Limited	0.02
3	Rajiv Parthasarathy	Executive Director	157.18	Permanent	B.S., (IE)	16	01-08-2021	46	Nil	-

Place : Coimbatore
Date : 29.04.2024

For and on behalf of the Board of Directors
B. VIJAYAKUMAR
 Executive Chairman
 DIN: 00015583

P.PRABAKARAN
 Managing Director
 DIN:01709564

ANNEXURE F

ANNEXURE G

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

The automotive industry is undoubtedly coming out of one of the most challenging periods in history. Industry has faced a massive slowdown for the last couple of years due to the pandemic, global economic slowdowns as well as other macroeconomic and geopolitical factors. However, in the current scenario, the industry has witnessed recovery, recording growth, increasing demand, and improvements, that are yet to reclaim their pre-pandemic highs.

Indian economy, it is evident that the nation's remarkable resilience, with interest rates stabilising coupled with lower inflation forecasts and commitment to growth have positioned it as a powerhouse in the global marketplace. The Indian economy's vibrant sectors, expanding middle class and progressive reforms, increased government spending in infrastructure development continue to attract investments and create new avenues for business expansion. However, amidst the opportunities, we acknowledge the presence of challenges that demand our unwavering attention and adaptability.

COMPANY AND BUSINESS OVERVIEW

L.G.Balakrishnan & Bros Limited ("LGB") is a leading supplier of Transmission Chains, Sprockets and Metal formed Parts for automotive applications and Industrial Applications Manufacturing Company, established in the year 1956. LGB provides a comprehensive range of Products. LGB has a dedicated team supported by a commitment, and our continuous improvement programs combine to affirm the LGB reputation and "ROLON" brand for quality.

We committed ourselves to building strong, lasting relationships based on the quality of our products. Ongoing efforts to differentiate ourselves through high levels of service and customer satisfaction are a key corporate focus. One of our key strengths is our ability to form long-term, strategic partnerships with our clients, in some cases we have been working together for multiple decades.

OPPORTUNITIES / OUTLOOK

India has become the world's most populous country backed by the twin forces of urbanization and industrialization. India's auto component industry is an important sector driving macroeconomic growth, employment and market share has significantly expanded, led by increasing demand for automobiles by the growing middle class, growth of aftermarket is fueled by a steady increase in the vehicle sales and exports globally. Industry is broadly classified into organized and unorganized sectors. While the unorganized sector serves OEMs and includes high-value precision instruments. We along with our customers focus on product design, from raw materials to end-of-life recyclability, to optimize total cost of ownership and reduce negative environmental impacts across the product life cycle.

With sustained growth and efficient resource allocation, we have established ourselves as one of the leaders in the Auto Components Sector. Leveraging our manufacturing expertise and strategic decision making, we are well positioned to capitalize on the opportunities in this growing segment, by enhancing our portfolio by launching new products and further solidifying our position as Industry Leaders.

THREATS

After experiencing the sudden economic downturn, the automotive parts manufacturing industry still has plenty of new hurdles to overcome. Volatility in input prices and increased costs for fuel could slow down new investment in projects leading to diminishing opportunities. Further industry is also currently under constant pressure to adapt to new changes due to technological advancements and end-user preferences.

The same factors world wide are influencing the macroeconomic environment, recovery from the COVID-19 Pandemic has been better than expectation but accompanied with addition burden of Geo-political conflicts, some input price increase.

Against this backdrop, the International Monetary Fund (IMF) believes that overall economic development has proved to be remarkably resilient, global growth is sluggish and India is one amongst the best growth area among the World, uneven and increasingly divergent around the World. Global Economic activity bottomed out, but a full recovery toward pre-pandemic trends increasingly appears to be out of reach.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company manufactures chains, sprockets and metal formed parts for automotive applications. Its business segments are transmission and metal forming. Its transmission products include chains, sprockets, tensioners, belts and brake shoe. It also offers metal forming products consisting of fine blanking for precision sheet metal parts, machined components and wire drawing products for internal use as well as for other chain manufacturing plants, spring steel suppliers and umbrella manufacturers.

The sales performance during the year is as follows:

Particulars	Consolidated (₹ in lakhs)
Transmission	1,85,139.53
Metal Forming	49,465.06
Total	2,34,604.59

RISKS AND CONCERNS

The Board of Directors has adopted and approved a Risk Management Policy for the Company to ensure the ongoing identification, evaluation, and mitigation of business risks, safeguarding the interests of its stakeholders. The Risk Management framework is designed to adapt to the evolving business environment and promptly address any emerging risks. The Risk Management Committee is updated on emerging risks and corrective actions every six months.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

LGB maintains an effective Internal Control System commensurate with its size and complexity, providing reasonable assurance of authorised and accurately recorded transactions. An independent Internal Audit function, coupled with extensive internal audits and periodic reviews, ensures the adequacy of internal control systems. LGB remains committed to minimising identified risks through continuous monitoring and mitigating actions.

FINANCIAL AND OPERATIONAL PERFORMANCE

On consolidated basis, revenue from operations and other income for the financial year under review were ₹ 2,39,547.19 Lakhs as against ₹ 2,22,889.42 Lakhs for the previous financial year registering an increase of 7.47%. The profit before tax and exceptional item was ₹ 35,790.67 Lakhs and the profit after tax, was ₹ 27,149.58 Lakhs for the financial year under review as against ₹ 32,001.19 Lakhs and ₹ 25,232.80 Lakhs respectively for the previous financial year.

On standalone basis, revenue from operations and other income for the financial year under review were ₹ 2,28,015.84 Lakhs as against ₹ 2,11,156.93 Lakhs for the previous financial year registering an increase of 7.98%. The profit before tax and exceptional item was ₹ 35,576.56 Lakhs and the profit after tax was ₹ 26,950.33 Lakhs for the financial year under review as against ₹ 31,517.13 Lakhs and ₹ 24,769.58 Lakhs respectively for the previous financial year.

Details of significant changes (i.e., change of **25% or more** as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations thereof, including, are listed below:

	Year ended March 31, 2024	Year ended March 31, 2023	% of Change
Current Ratio	2.12	2.37	-10.54
Debt-Equity Ratio	0.05	0.06	-14.61
Debt Service Coverage Ratio	19.02	18.31	3.90

	Year ended March 31, 2024	Year ended March 31, 2023	% of Change
Return on Equity Ratio	18%	18%	-4.06
Inventory turnover ratio	6.02	5.28	14.13
No of days	61	69	
Debtors turnover ratio	8.37	7.87	6.36
No of days	44	46	
Creditors turnover ratio	6.44	5.80	11.24
No of days	57	63	
Net capital turnover ratio	1.51	1.70	-11.16
Net profit margin	12%	12%	1.71%
Return on Capital employed	22%	24%	-6.16%
Return on investment	6%	4%	44.99%

HEALTH, SAFETY, SECURITY ENVIRONMENT

LGB is firmly committed to the policy of utmost safety in workplaces. The Company has all the required safety systems in place at all our facilities to ensure a high standard of safety and health of employees as well as the factory infrastructure. We have established all possible measures to remove/reduce risks to the health, safety and welfare of all the personnel at our facilities. The Company ensures all the safety equipment are in working condition, installed at appropriate locations and along with its user manual. All the employees are also periodically trained on health and safety initiatives. Our workplace culture promotes the use of personal protection equipment and apparel, as well as strict adherence to management’s health and safety directives.

HUMAN RESOURCES / INDUSTRIAL RELATIONS

LGB foster a culture of inclusivity, collaboration, and continuous learning, where every employee is encouraged to reach their full potential. Our talent management initiatives focus on attracting and retaining top talent in the industry, nurturing their skills through training and development programs, and providing growth opportunities within the organization. We also emphasize employee engagement and work-life balance, ensuring a healthy and supportive work environment. By investing in our employees’ professional growth and well-being, we build a motivated and high-performing workforce that drives our success. The total number of permanent employees in the Company stands at 2,626.

CAUTIONARY STATEMENT

Statement in the Management Discussion and Analysis describing the Company’s objectives, projections, expectations and estimates regarding future performance may be “forward-looking statements” and are based on the currently available information. The management believes these to be true to the best of its knowledge at the time of preparation of this report. However, these statements are subject to certain future events and uncertainties, which could cause actual results to differ materially from those, which may be indicated in such statements.

For and on behalf of the Board of Directors

Place : Coimbatore
Date : 29.04.2024

B. VIJAYAKUMAR
Executive Chairman
DIN: 00015583

P.PRABAKARAN
Managing Director
DIN:01709564



REPORT ON CORPORATE GOVERNANCE

ANNEXURE H

Pursuant to Regulation 34(3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)

Your Directors present the Company’s Report on Corporate Governance for the year ended March 31, 2024

1. COMPANY’S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

The Company’s philosophy on Corporate Governance is to observe the highest level of ethics in all its dealings, to ensure efficient business conduct and aspire to achieve its goal by creating value for all its stakeholders. Corporate Governance covers various aspects of a business by which organisations are directed and managed. It influences how the objectives of a business are set and achieved, how risks are monitored and assessed, and how internal performance is optimised. It refers to a methodological application of techniques aimed at attaining greatest level of integrity, fairness, equity, transparency, accountability and commitment. It helps companies deliver long-term corporate success with economic growth and ensures that the management of a company considers the best interests of everyone.

LGB ensures adequate, timely and accurate disclosure on all material matters including the financial situation, performance, ownership and governance of the Company to the stock exchanges and the investors. The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations or LODR”) as amended, is given below.

2. BOARD OF DIRECTORS:

The Board of Directors along with its Committees, guides, directs and oversees the management and protects long term interests of shareholders, employees and the society, at large. The Board also ensures compliance of the applicable provisions and code of ethical standards wherever the Company and its subsidiaries are present.

As at March 31, 2024, in accordance with the Corporate Governance norms, the Company’s Board of Directors headed by its Executive Chairman, Sri.B.Vijayakumar (DIN: 00015583), comprised of eleven directors, out of which eight Non-executive Directors (including six Independent Directors), three Executive Directors (including two promoter/promoter group Directors). Further, there are two Women Directors on the Board, out of which one is an Independent Director.

The details of composition and category of the Directors on the Board, their attendance at Board Meetings and last Annual General Meeting held on September 25, 2023, number of Directorships held by them in other Indian Public Limited Companies including the Committee Chairmanships/Memberships held by them as on March 31, 2024 are given below:

Name and DIN	Category & Designation	Attendance			No. of Directorship in other Public Companies*	Number of Committee Positions held in other Companies **	
		No. of Board Meetings Held during the year	Board Meetings attended during the year	AGM		Chairman ship	Member ship
Sri. B. Vijayakumar # DIN:00015583	Promoter Executive Chairman	6	6	Yes	2	0	0
Sri. P. Prabakaran DIN:01709564	Executive Managing Director	6	6	Yes	-	0	0

Name and DIN	Category & Designation	Attendance			No. of Directorship in other Public Companies*	Number of Committee Positions held in other Companies **	
		No. of Board Meetings Held during the year	Board Meetings attended during the year	AGM		Chairman ship	Member ship
Sri.Rajiv Parthasarathy \$ DIN: 02495329	Promoter Group Executive Director	6	6	Yes	-	0	0
Smt.Rajsri Vijayakumar @ DIN: 00018244	Non-Executive Promoter	6	6	Yes	1	0	2
Sri. S. Sivakumar DIN: 00016040	Non-Executive Non-Independent	6	6	Yes	-	0	0
Smt.Kanchana Manavalan # DIN: 07497403	Non-Executive Independent	6	6	Yes	-	0	0
Sri. V. Govindarajulu DIN: 00016108	Non-Executive Independent	6	6	Yes	-	0	0
Sri.P. Shanmugasundaram DIN: 00119411	Non-Executive Independent	6	6	Yes	2	2	2
Sri.R. Vidhya Shankar DIN: 00002498	Non-Executive Independent	6	6	Yes	2	1	3
Sri. G.D. Rajkumar DIN: 00197696	Non-Executive Independent	6	3	Yes	1	0	1
Dr.Vinay Balaji Naidu DIN:09232643	Non- Executive Independent	6	5	Yes	1	1	2

* Exclude Directorship in Private Companies and Foreign Companies.

** Only Audit Committee and Stakeholders Relationship Committee has been considered.

\$ Sri. Rajiv Parthasarathy Executive Director is husband of Smt. Rajsri Vijayakumar.

@ Sri. B. Vijayakumar is Father of Smt. Rajsri Vijayakumar.

Smt. Kanchana Manavalan has been re-appointed as an Independent Director for a second term of 5 consecutive years effective from January 31, 2024.

Details of Directorship of Directors in other Listed Entities and the category of their Directorship as on March 31, 2024:

Name of the Director	Details of the other listed entities where the Directors hold directorship	
	Name of the listed entity	Category of Directorship
Sri.B.Vijayakumar DIN:00015583	Elgi Equipments Limited	Non-Executive Independent Director
	LGB Forge Limited	Non-Executive Chairman
Sri.P.Prabakaran DIN:01709564	NIL	NA
Smt.Rajsri Vijayakumar DIN: 00018244	LGB Forge Limited	Managing Director
Sri.Rajiv Parthasarathy DIN: 02495329	NIL	NA
Sri.S.Sivakumar DIN: 00016040	NIL	NA
Smt.Kanchana Manavalan DIN: 07497403	NIL	NA

Name of the Director	Details of the other listed entities where the Directors hold directorship	
	Name of the listed entity	Category of Directorship
Sri.V.Govindarajulu DIN: 00016108	NIL	NA
Sri.P.Shanmugasundaram DIN: 00119411	LGB Forge Limited	Non-Executive Independent Director
	Pricol Limited	Non-Executive Independent Director
Sri.R.Vidhya Shankar DIN: 00002498	Pricol Limited	Non-Executive Independent Director
Sri. G D Rajkumar DIN: 00197696	Magna Electro Castings Limited	Non-Executive Independent Director
Dr.Vinay Balaji Naidu DIN:09232643	Precot Limited	Non-Executive Independent Director

In terms of Regulation 17(A) of the Listing Regulations, none of the Directors of the Company serves as an Independent Director in more than 7 (Seven) listed entities and none of the Executive Directors on the Board are serving as Independent Director in more than three listed entities. Further, none of the Directors on the Company's Board is a Member of more than 10 (Ten) Committees or act as Chairman of more than 5 (Five) Committees (Committees being Audit Committee and Stakeholders Relationship Committee) across all the Companies in which he or she is a Director pursuant to the Regulation 26 of Listing Regulations. Necessary disclosures of committee positions including changes, if any, have been made by each Director to the Company.

DETAILS OF THE BOARD MEETINGS HELD DURING THE FINANCIAL YEAR 2023-2024

The Board periodically reviews the agenda items required to be placed before it as per Regulation 17 (7) read with Part A of Schedule II of Listing Regulations and in particular, reviews and approves quarterly / half-yearly / yearly audited financial statements, corporate strategies, business plans, annual budgets, projects and capital expenditure.

It monitors overall operating performance and reviews such other items that require Board's attention. It directs and guides the activities of the Management towards the set goals and seeks accountability. It also sets standards of corporate behaviour, ensures transparency in corporate dealings and compliance with applicable laws and regulations.

The agenda papers, containing detailed notes on various agenda items and other information, which would enable the Board to discharge its responsibility effectively, are circulated in advance to the directors as required under the applicable provisions and standards. The agenda for the Board Meeting covers items specified in Regulation 17 of the Listing Regulations; to the extent, they are relevant and applicable. All agenda items are supported by relevant information, materials, documents and presentations to enable the Board to take informed decisions.

During the year 2023-24, 6 (Six) Board Meetings were held on April, 29, 2023; July 27, 2023; October 30, 2023; December 02, 2023, January 29, 2024 and March 13, 2024. The Company has held at least one Board Meeting in every quarter and the gap between two Board Meetings did not exceed one hundred and twenty days. The necessary quorum was present in all the meetings. Leave of absence was granted to the concerned Directors, who could not attend the respective Board Meeting, upon receipt of their request.

DIRECTORS INTER-SE RELATIONSHIP

Sri. B. Vijayakumar, Executive Chairman is the father of Smt. Rajsri Vijayakumar, Director and Sri. Rajiv Parthasarathy, Executive Director is the husband of Smt. Rajsri Vijayakumar. None of the other Directors are related to each other.

Number of shares and convertible instruments held by Non-Executive Directors:

The details of shares and convertible instruments (Warrants) held by the Non-Executive Directors as on March 31, 2024 are given under the table below

Name	No of Shares held	No. of fully convertible warrants	% of Holding*
Smt.Rajsri Vijayakumar	21,79,156	1,50,000	6.94
Smt.Kanchana Manavalan	516	-	-
Sri.S.Sivakumar	1,194	-	-
Sri.V.Govindarajulu	-	-	-
Sri.P.Shanmugasundaram	-	-	-
Sri.R.Vidhya Shankar	-	-	-
Sri.G.D.Rajkumar	-	-	-
Dr.Vinay Balaji Naidu	5,500	-	0.02

* percentage of holding is calculated on non-diluted basis

Other than the above, the Company has not issued any type of Convertible instruments to its Non-Executive Directors. None of the Directors were issued any stock options.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company familiarizes its Independent Directors with the Company's business, strategy and operations, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. These include orientation programme upon their induction as well as other initiatives to update the Directors on a continuing basis. The details of familiarization programmes imparted to the Independent Directors is disclosed on the Company's website <https://www.lgb.co.in/wp-content/uploads/2023/06/Familiarization-Programme.pdf>

BOARD SKILL/COMPETENCIES/EXPERTISE

The Company recognizes and embraces the importance of a diverse Board in its success. The Board of the Company comprises of qualified members who possess the required skills, expertise and competencies relevant to the Company's business, that allow them to make effective contributions to the Board and its Committees.

The Board of Directors has identified the list of core skills/expertise/competencies as required for them to function effectively as follows and the Board believes that Directors of the Company possess these skills/expertise/competencies, which helps the Company function effectively.

General Management, HR and Leadership	General know-how of business Management, talent Management and development, workplace health & safety
Technical	Technical / professional skills and specialised knowledge to assist with ongoing aspects of the Board's role.
Strategy & Business Planning	Comprehensive socio-economic, political, legal, regulatory and competitive environment in which the Company is operating and provide insights to identify opportunities and threats for the Company's businesses
Finance and Accounts	Analyse the Company's financial performance and provide oversight of capital allocation and returns
Corporate Governance	Protection of stakeholders' interest, observing best governance practices and identifying key governance risks
Stakeholder Value Creation	Enable shareholders value creation while ensuring interventions that create a positive and sustainable impact on society

The skills matrix adopted by the Board vis-a-vis the skills/expertise/ competencies of respective directors are as under:

S. No	Name of Director	General Management, HR and Leadership	Technical	Strategy & Business Planning	Finance and Accounts	Corporate Governance	Stakeholder Value Creation
1	Sri.B.Vijayakumar DIN:00015583	✓	✓	✓	✓	✓	✓
2	Sri.P.Prabakaran DIN:01709564	✓	✓	✓	✓	✓	✓
3	Smt.Rajsri Vijayakumar DIN: 00018244	✓	✓	✓	✓	✓	✓
4	Sri.Rajiv Parthasarathy DIN: 02495329	✓	✓	✓	✓	✓	✓
5	Sri.S.Sivakumar DIN: 00016040	✓	✓	✓	✓	✓	✓
6	Smt.Kanchana Manavalan DIN: 07497403	✓	-	✓	✓	✓	✓
7	Sri.V.Govindarajulu DIN: 00016108	✓	-	✓	✓	✓	✓
8	Sri.P.Shanmugasundaram DIN: 00119411	✓	-	✓	✓	✓	✓
9	Sri.R.Vidhya Shankar DIN: 00002498	✓	-	✓	✓	✓	✓
10	Sri. G D Rajkumar DIN: 00197696	✓	✓	✓	✓	✓	✓
11	Dr.Vinay Balaji Naidu DIN:09232643	✓	-	✓	✓	✓	✓

CONFIRMATION ON THE FULFILLMENT OF THE CONDITIONS OF INDEPENDENCE:

The Board of Directors, based upon the declarations received from the Independent Directors, confirm that they meet the criteria of independence and fulfill the conditions as specified under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149(6) of the Companies Act, 2013 and that they are Independent of the management. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated which could impair or impact their ability to discharge their duties. Further the Independent Directors have included their names in the Directors’ database maintained with Indian Institute of Corporate Affairs in terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (as amended).

MEETING OF INDEPENDENT DIRECTORS

During the year, in accordance with Schedule IV of the Companies Act, 2013 and Regulation 25 of the Listing Regulations, the Independent Directors of the Company has met separately on 16 March 2024 without the presence of other Directors or management representatives, to review the performance of Non-Independent Directors, the Board and the Chairperson of the Company and to assess the quality, quantity and timeliness of flow of information between the management and the Board.

RESIGNATION OF INDEPENDENT DIRECTOR(S) BEFORE EXPIRY OF TENURE, IF ANY:

None of the Independent Directors has resigned before the expiry of his / her tenure during the year under review.

3.AUDIT COMMITTEE

The Board has duly constituted a well-qualified Audit Committee which considers all matters specifically referred to it by the Board in addition to mandatory matters as per Section 177 of the Act read with Regulation 18 of the Listing Regulations. The Committee acts as a link between the management, external and internal auditors and the Board. All the members of the Committee are Independent Directors including the Chairman, except Mr. P.Prabakaran, who is Managing Director. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc. Besides having access to all the required information within the Company, the Committee can obtain external professional advice whenever required.

THE ROLE / TERMS OF REFERENCE OF THE AUDIT COMMITTEE

The terms of reference of the Audit Committee are wide enough covering the matters as per the guidelines set out in the Listing Regulations read with Section 177 of the Companies Act, 2013. These broadly includes approval of annual internal audit plan, review of financial reporting systems, ensuring compliance with regulatory guidelines, discussions on quarterly, half yearly and annual financial results, interaction with statutory, internal and cost auditors, recommendation for appointment, remuneration and term of auditors, examination of financial statements and auditors’ report thereon, review the functioning of the Whistle Blower Mechanism, review and monitor the auditor’s independence and performance and effectiveness of audit process, approval or any subsequent modification of transactions of the Company with related parties, scrutiny of inter-corporate loans and investments, valuation of undertakings or assets of the company, wherever it is necessary, evaluation of internal financial controls and risk management systems, reviewing with the management adequacy of internal control system and reviewing the utilization of loan and/ or advances from/ investment by the holding company in the subsidiary company exceeding prescribed limit and reviewing the internal control systems under the SEBI (Prohibition of Insider Trading) Regulations, 2015.

COMPOSITION & MEETINGS:-

The Audit Committee presently comprises of (4) four Members, out of which (3) three Members are Non-Executive Independent Directors and one is an Executive Director. The Chairperson of the Committee is an Independent Director. All the Members of the Audit Committee have accounting and financial Management expertise.

The Executive Directors, Chief Financial Officer, the Head of Internal Audit and the representatives of the Statutory Auditors and Internal Auditors are permanent Invitees to the meetings of the Audit Committee. The Company Secretary acts as the Secretary to the Committee.

The Audit Committee has held 5 (five) meetings during the Financial Year ended on 29.04.2023, 27.07.2023, 30.10.2023, 02.12.2023 and 29.01.2024. The time gap between any 2 (two) consecutive meetings did not exceed the interval of 120 (one hundred twenty) days. The composition of the Audit Committee as at March 31, 2024 and details of the attendance of its Members are as under:

Name of the Members	Category	Designation	No. of Meetings	
			Held	Attended
Sri.P.Shanmugasundaram	Independent, Non-Executive	Chairman	5	5
Sri.V.Govindarajulu	Independent, Non-Executive	Member	5	5
Smt Kanchana Manavalan	Independent, Non-Executive	Member	5	5
Sri.P.Prabakaran	Executive	Member	5	5

The Chairman of the Audit Committee has attended the last Annual General Meeting (“AGM”) of the Company held on September 25, 2023.

The Minutes of the Audit Committee meetings were circulated to the Board, and the Board discussed and took note of the same. The Audit Committee has considered and reviewed the Annual Financial Statements for the year 2023-24, before it was placed before the Board of Directors.

4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (“the NRC”) is constituted in compliance with the requirements of Regulation 19 of the Listing Regulations and Section 178 of the Act. The NRC has been vested with the authority to recommend nominations for Board membership, succession planning for the senior management and the Board, recommend composition of the Board commensurate with the size, nature of the business and operational dimension of the Company, establish criteria for selection of Board Members with respect to skills, abilities, experience, competencies, qualifications, track record, integrity, and determine overall compensation policies of the Company.

The NRC also formulates the criteria for determining qualifications, positive attributes and independence of a Director and recommends to the Board periodically, policies relating to the remuneration of Directors, Key Managerial Personnel and Senior Management. In addition to the above, the NRC’s role includes identifying persons who may be appointed to a senior management position in accordance with the criteria laid down, recommending to the Board their appointment and removal.

TERMS OF REFERENCE:

The role, powers and functions of the Nomination and Remuneration Committee are as per Section 178 of the Companies Act, 2013 and the guidelines set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of this Committee are as required under Regulation 19 read with part D of Schedule II of the Listing Regulations.

COMPOSITION AND ATTENDANCE AT THE MEETING

The composition of NRC as on March 31, 2024 are given in the following table.

Name of the Members	Category	Designation
Sri.R.Vidhya Shankar	Independent, Non-Executive	Chairman
Sri.V.Govindarajulu	Independent, Non-Executive	Member
Sri.B.Vijayakumar	Executive Chairman	Member
Smt Kanchana Manavalan	Independent, Non-Executive	Member

The Committee has met on 13.01.2024 and all the Members were present at the meeting(s). Remuneration payable, in whatever form, to the Key Managerial Personnel and Senior Management of the Company is being considered/ discussed/ finalized and recommended after considering various factors such as financial position of the Company, trend in industry, and past remuneration etc., which is onward submitted to Audit Committee (if required) and Board for respective approval(s).

Non-Executive Independent Directors of the Company do not have any pecuniary relationship or transaction with the Company. They do not draw any remuneration, except sitting fees for attending meetings of the Board/ Committee(s).

The Company Secretary acts as the Secretary to the Committee.

The Chairman of the NRC has attended the last Annual General Meeting of the Company held on September 25, 2023.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

Pursuant to Schedule IV and Section 134 (3)(p) of the Act and Regulation 19 (4) read with Part D (A) of Schedule II of the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the Independent Directors individually as well as of the Board. The performance evaluation of the Executive

and Non-Executive Directors, including Chairperson and Board of Directors as a whole was carried out by the Independent Directors. The purpose of the Board evaluation is to achieve persistent and consistent improvement in the governance of the Company at the Board level with the participation of all concerned in an environment of harmony. The Board acknowledges its intention to establish and follow best practices in Board Governance in order to fulfil its fiduciary obligation to the Company. The Board believes that the evaluation will lead to a closer working relationship among the Board members, greater efficiency in the use of the Board’s time and increased effectiveness of the Board as a governing body. The Directors expressed their satisfaction with the evaluation process.

The evaluation of the Independent Directors were made on the basis of attendance at the Meetings of the Board, Committee(s) and General Meetings, knowledge about the latest developments, contribution in the Board development processes, participation in the Meetings and events outside Board Meetings, expression of views in best interest of the Company, assistance given in protecting the legitimate interests of the Company, employees and investors, extending individual proficiency and experience for effective functioning and operation of the Company etc.

5. STAKEHOLDERS’ RELATIONSHIP COMMITTEE:

Stakeholders’ Relationship Committee (“SRC”) has been constituted in terms of Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of the Listing Regulations.

TERMS OF REFERENCE:

The terms of reference and composition of the Stakeholders’ Relationship Committee satisfy the requirements of Section 178 of the Act and Regulation 20 of the Listing Regulations.

The terms of reference of Stakeholders’ Relationship Committee includes to consider and resolve the grievances of security holders of the Company including but not limited to complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends and review of services rendered by the Registrar and Share Transfer Agent

The composition of the Stakeholder Relationship Committee and particulars of meetings attended by the Members are given below:

Name of the Members	Category	Designation
Sri.V.Govindarajulu	Independent, Non-Executive	Chairman
Sri.B.Vijayakumar	Executive-Promoter	Member
Sri.R.Vidhya Shankar	Independent, Non-Executive	Member

During the year under review, the Committee has met 16 times to deliberate on various matters referred above and for review and redressal of investors complaints, if any. The minutes of the Stakeholders Relationship Committee were placed before the Board Meeting for their record.

The Company Secretary acts as the Secretary to the Committee, who is designated as Compliance Officer pursuant to Regulation 6 of the Listing Regulations.

The Chairman of the Stakeholders Relationship Committee has attended the last Annual General Meeting held on September 25, 2023.

The Committee ensures that the shareholders’ / investors’ grievances and correspondence are attended and resolved expeditiously within the time frames laid down by SEBI. During the year under review, 8 complaints was received from shareholders and the same was resolved within the stipulated time. Hence, no complaint/grievance is remaining unresolved and pending as on March 31, 2024.

Pursuant to Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate confirming due compliance of share transfer formalities by the Company from a Practicing Company Secretary has been submitted to the Stock Exchanges within stipulated time.

The Company has adopted an ‘Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders’ (“the Code”) in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Company has also formulated ‘The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)’ in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

6. RISK MANAGEMENT COMMITTEE

The Company has constituted a Risk Management Committee as per Regulation 21 read with Part D of Schedule II of the SEBI Listing Regulations. The Company has a well-defined risk management framework to identify, recognize, monitor and mitigate risks and also identify business opportunities. Business risk evaluation and its management is a continuous process within the organization. The Company has framed a Risk Management Policy which includes the terms of reference, is available on the website of the Company at <https://www.lgb.co.in/wp-content/uploads/2021/08/risk-management-policy.pdf>

The role, responsibilities and terms of reference of the Risk Management Committee includes the matters and functions specified under Regulation 21 and Part D of Schedule II of the Listing Regulations, as amended from time to time, and other matters referred by the Board from time to time.

The Committee reviewed the risks and extent of exposure and potential impact analysis was carried out by the Management. It was confirmed by the Managing Director and the Chief Financial Officer that the mitigation actions are monitored.

The composition of Risk Management Committee are as given below

Name of the Members	Category	Designation
Sri B Vijayakumar	Executive Chairman	Chairman
Sri P Prabakaran	Managing Director	Member
Sri R Vidhyashankar	Non Executive - Independent Director	Member
Sri Rajiv Parthasarathy	Executive Director	Member

The Committee has met twice during the year on 14.09.2023 & 09.01.2024 and all the Members were present in the said meetings. The gap between two consecutive meetings did not exceed the interval of 180 days. The Minutes of the Risk Management Committee Meetings are being placed at the Board Meetings.

SENIOR MANAGEMENT AND CHANGES THEREIN SINCE THE CLOSE OF THE PREVIOUS YEAR

The Senior Management of the Company as on March 31, 2024 are as given below:

Sl. No.	Name of the Senior Management Personnel	Designation
1.	Sri. N. Rengaraj	Chief Financial Officer
2.	Sri. M. Lakshmikanth Joshi	Senior General Manager (Legal) & Company Secretary

There was no change in the Senior Management since the close of the previous financial year.

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR COMMITTEE)

The Board of Directors has constituted Corporate Social Responsibility Committee of Directors as required under Section 135 of the Companies Act, 2013.

TERMS OF REFERENCE

The terms of reference of the Corporate Social Responsibility (“CSR”) Committee includes the matters specified under Section 135 of the Companies Act, 2013, Schedule VII to the Act and Rules made thereunder. The Minutes of the Corporate Social Responsibility Committee Meetings are being placed at the Board Meetings.

The composition of CSR Committee are as given below:

Name of the Members	Category	Designation
Sri.B.Vijayakumar	Executive Promoter	Chairman
Sri.R.Vidhya Shankar	Independent, Non-Executive	Member
Smt. Rajsri Vijayakumar	Non Independent, Non-Executive	Member
Sri.P.Prabakaran	Managing Director	Member

MEETINGS

During the year under review, five meetings of the CSR Committee were held on 24.04.2023, 08.05.2023, 22.07.2023, 14.10.2023, 20.01.2024. The meetings were attended by all the Members of the Committee.

The Annual Report on CSR activities for the Financial Year 2023-24 forms a part of the Board’s Report.

8. REMUNERATION POLICY

The Company’s Remuneration Policy for Directors, Key Managerial Personnel and other employee is available on the website of your Company <https://www.lgb.co.in/wp-content/uploads/2022/07/Nomination-Remuneration-Policy.pdf>. The Remuneration Policy is in consonance with the statutory requirements and existing industry practice.

Remuneration of Directors

Remuneration paid to the Executive Directors for the Financial Year ended March 31, 2024 is given as under:

Name of Directors	Service Contract	Salary & Allowances	Commission	Employees Stock Option Plan	In lakhs
					Total
Sri.B.Vijayakumar Executive Chairman	01.01.2020 to 31.12.2024	90.22	374.31	-	464.53
Sri.P.Prabakaran Managing Director	01.06.2019 to 31.05.2024	101.76	224.59	-	326.35
Sri. Rajiv Parthasarathy Executive Director	01.08.2021 to 31.07.2024	63.60	93.58	-	157.18

Salary & Allowances includes salary and Company’s contribution to Provident / Superannuation / Gratuity Fund.

All elements of remuneration package has been summarized under major groups viz., Salary & Allowances/ Perquisites and Commission and there is no other benefits, Bonuses, Stock Options, Pension etc. other than the details disclosed in the above table.

The remuneration to the Key Managerial Personnel comprises of fixed components viz., salary and other allowances and perquisites and there are no performance linked incentives.

Remuneration paid to the Non-Executive Directors for the Financial Year ended March 31, 2024 is given as under

The Non-Executive Directors were not paid any remuneration except Sitting Fees for attending the meetings of the board of Directors and / or committees thereof. The details of the sitting fees paid to the non-executive Directors are as under:

Name of Directors	Sitting Fees	Commission	Employees Stock Option Plan	Total
Smt.Rajsri Vijayakumar	1,80,000	-	-	1,80,000
Sri.S.Sivakumar	1,80,000	-	-	1,80,000
Sri.V.Govindarajulu	3,30,000	-	-	3,30,000

Name of Directors	Sitting Fees	Commission	Employees Stock Option Plan	Total
Sri.P.Shanmugasundaram	3,30,000	-	-	3,30,000
Sri.G.D.Rajkumar	90,000	-	-	90,000
Sri.R.Vidhya Shankar	1,80,000	-	-	1,80,000
Smt.Kanchana Manavalan	3,30,000	-	-	3,30,000
Dr.Vinay Balaji Naidu	1,50,000	-	-	1,50,000
Total	17,70,000	-	-	17,70,000

There has been no materially relevant pecuniary transaction or relationship between the Company and its non-executive independent Directors during the year.

The Nomination and Remuneration policy of the Company along with the criteria of making payments to Non-Executive Directors can be accessed on the Company’s website

<https://www.lgb.co.in/wp-content/uploads/2022/07/Nomination-Remuneration-Policy.pdf>

The Company does not have any Employee Stock Option Scheme and hence, the disclosure of the details of stock option, if any and whether issued at a discount as well as the period over which accrued and over which exercisable does not arise.

9. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report forms part of this Annual Report.

10. GENERAL BODY MEETINGS:

Details of the last three Annual General Meetings are given as under:

Financial Year	Date	Time	Venue	Special Resolution passed, if any
2020-2021	09.09.2021	2.00 PM (IST)	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM), Deemed Venue: 6/16/13 Krishnarayapuram Road, Ganapathy, Coimbatore-641006, Tamil Nadu	1. Appointment of Dr. Vinay Balaji Naidu (DIN : 09232643) as Independent Director for a period of 5 years w.e.f. 04.08.2021. 2. Appointment of Sri.Rajiv Parthasarathy (DIN : 02495329) as a Whole-time Director, (designated as Senior Vice President - Operations) for a period of 3 years w.e.f. 01 st August, 2021. 3. Approval of the Members of the Company be and is hereby accorded to continue the payment of remuneration to Sri. B. Vijayakumar, (DIN : 00015583) Chairman and Managing Director for the remaining period of his current tenure as Chairman and Managing Director.
2021-2022	25.08.2022	10.30 AM (IST)	Held through Video Conferencing (VC) or Other Audio Visual Means (OAVM) Deemed Venue: 6/16/13 Krishnarayapuram Road, Ganapathy, Coimbatore-641006, Tamil Nadu	NIL

Financial Year	Date	Time	Venue	Special Resolution passed, if any
2022-2023	25.09.2023	10.00 AM (IST)	Held through Video Conferencing (VC) or Other Audio Visual Means (OAVM) Deemed Venue: 6/16/13 Krishnarayapuram Road, Ganapathy, Coimbatore-641006, Tamil Nadu	NIL

Extra Ordinary General Meeting and Postal Ballot process, if any:

Financial Year	Date	Time	Venue	Special Resolution passed, if any
2023-2024	02.03.2024	10.00 AM (IST)	Held through Video Conferencing (VC) or Other Audio Visual Means (OAVM) Deemed Venue: 6/16/13 Krishnarayapuram Road, Ganapathy, Coimbatore-641006, Tamil Nadu	1. Approval for the re-appointment of Smt. Kanchana Manavalan (DIN: 07497403) as an independent director of the company for the second term of five consecutive years with effect from 31 st January 2024 2. Approval for the re-appointment of Sri.G.D.Rajkumar (DIN: 00197696) as an independent director of the company for the second term of five consecutive years with effect from 29 th April, 2024 3. Approval for the re-appointment of Sri.P.Prabakaran (DIN:01709564) as Managing Director for a further period of 5 years with effect from June 01, 2024, and the remuneration payable to him 4. Approval for the re-appointment of Sri. Rajiv Parthasarathy (din: 02495329) as Executive Director for a further period of 5 years with effect from August 01, 2024, and the remuneration payable to him 5. Approval to offer, issue and allot 5,00,000 warrants fully convertible into equity shares to the Promoter and certain member(s) of the Promoter Group of the company on preferential basis

Postal Ballot:

During the Financial Year 2023-2024, the Company has not transacted any business through Postal Ballot process.

Further, as on date of this report, the Company do foresee the need for conducting postal ballot to pass few resolution in the current financial year. However, if required, the same shall be conducted in compliance with the procedure stipulated under Section 110 and other applicable provisions, if any, of the Companies Act, 2013 and its relevant Rules made thereunder, the Listing Regulations and any other applicable laws in this regard.

11. MEANS OF COMMUNICATION

Financial Results	The Quarterly, Half yearly and Annual Financial Results of the Company are available on the website of the Company www.lgb.co.in . The copies are also sent to concerned Stock Exchanges within the stipulated timeline after they are approved by the Board so as to enable them to disseminate on their website and also, the abridged form of the financial results are published in one widely circulated English Newspaper (Financial Express) and a Vernacular (Tamil) Newspaper (Malaimalar). The Company has a dedicated help desk with email ID: secretarial@lgb.co.in the Secretarial Department for providing necessary information to the investors
Official News Releases:	Official news releases are made whenever it is considered necessary
The presentation made to institutional investors or to the analysts	There was no specific presentation made to the Investors or Analysts during the year under review.

12. GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting (date, time and venue)	Annual General Meeting is proposed to be held on Thursday, 29 th August, 2024 At 10.30 AM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) for which purpose, the Registered Office of the Company situated at 6/16/13, Krishnarayapuram Road, Ganapathy Post, Coimbatore - 641 006 shall be deemed as the venue for the Meeting.	
Financial Calendar	April 1 to March 31 For the quarter and year ended March 31 st , 2024, the financial results were announced on 29 th April, 2024.	
Financial Year 2023 - 2024 * Tentative	Quarter ending June 30, 2024	End of July 2024*
	Quarter ending September 30, 2024	End of October 2024*
	Quarter ending December 31, 2024	End of January 2025*
	Year ended March 31 st 2025	End of April 2025*
Date of Book Closure	The dates of Book Closure are from Friday, 23 rd August, 2024 to Thursday, 29 th August, 2024 (both days inclusive)	
Dividend payment date	Dividend, if declared at the ensuing Annual General Meeting, shall be remitted electronically i.e. through NACH/NEFT etc., wherever bank details of shareholders are available and in other cases, through demand drafts on or before 25.09.2024.	
a) Listing on Stock Exchanges:	BSE Ltd. National Stock Exchange of India Ltd.	
b) Securities Code	BSE Ltd - 500250 National Stock Exchange of India Ltd - LGBBROSLTD	
The International Security Identification Number (ISIN)	INE337A01034	

The Company has paid the Listing Fees for the year 2024 - 2025 to the above Stock Exchanges

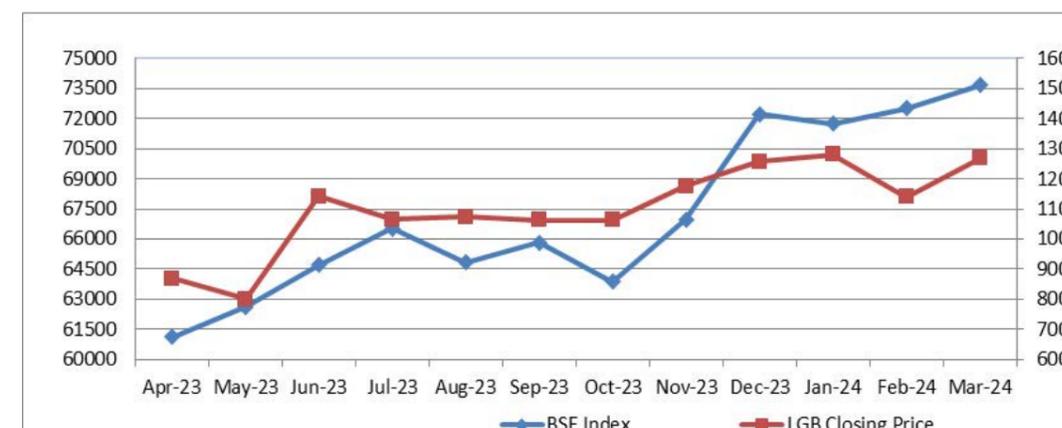
MARKET PRICE DATA: Monthly high/low of market price of the Company's equity shares traded on the BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) during the last Financial Year was as under:

Stock market data for the year 2023-2024

	NSE		BSE	
	Month's High (Rs)	Month's Low (Rs)	Month's High (₹)	Month's Low (₹)
April - 2023	887.00	744.00	887.10	744.65
May	835.00	779.00	837.95	772.05
June	1155.00	778.05	1,154.95	779.00
July	1237.60	1020.00	1,237.70	1,021.30
August	1145.00	976.25	1,145.25	975.85
September	1114.90	990.05	1,111.70	988.30
October	1104.25	963.90	1104.90	964.10
November	1218.00	1054.05	1217.80	1054.35
December	1366.00	1162.60	1366.00	1175.00
January - 2024	1425.00	1230.00	1,409.40	1229.55
February	1305.95	1119.35	1,306.45	1120.00
March	1278.85	1102.00	1,275.00	1104.30

(Source: BSE and NSE website)

Performance in comparison to broad-based indices such as BSE Sensex.



The Shares of the Company are regularly traded and in no point of time the shares were suspended for trading in any of the stock exchanges.

REGISTRAR & TRANSFER AGENTS

M/s. Cameo Corporate Services Limited,
 "Subramanian Building" No.1 Club House Road, Chennai - 600 002,
 Phone : 044 4002 0700 | <https://wisdom.cameoindia.com>

SHARE TRANSFER SYSTEM AND DEMATERIALISATION OF SHARES AND LIQUIDITY

The Company's share transfer system and related operations is operated through its Registrar and Share Transfer Agent (RTA) - Cameo Corporate Services Limited. Shareholders may please note that SEBI vide its circular dated 25th January, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate, Claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition.

Accordingly, the shareholders are requested to make service requests by submitting a duly filled in and signed Form ISR-1,2,3 and 4, SH 13 to the Company or their RTA. Further, the Company had already sent individual letters to the respective Shareholders holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to the SEBI Circular dated 3rd November, 2021.

Shareholders holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/issuance of equity shares in physical form have been disallowed by SEBI.

There are no legal proceedings pending against the Company before the National Company Law Tribunal in respect of dispute over title to shares in which the Company has been made a party.

In compliance with the Regulation 7(3) of the Listing Regulations, the Company submits a Compliance Certificate duly signed by the Compliance Officer of the Company and the authorised representative of the Share Transfer Agent, within 30 days from the end of the financial year, stating that all activities in relation to share transfer facilities are maintained by the Company's Registrar and Share Transfer Agent (RTA). Further, an yearly certificate of compliance, produced to the Company by the RTA, with regard to the issuance of share certificates within 30 days of lodgement for transfer, sub-division, consolidation, renewal etc., is submitted to the stock exchanges within the stipulated time pursuant to Regulation 40(9) & (10) of the Listing Regulations.

DISTRIBUTION OF SHAREHOLDING:

The shareholding distribution of the Equity Shares as on March 31, 2024 is given below:-

Range	No. of Holders	No. of Shares [Face Value of ₹ 10/-]	% of Shares
1-100	24,075	6,82,847	2.18
101-500	6,787	16,93,173	5.39
501-1000	1,418	10,68,756	3.40
1000-2000	778	11,39,333	3.63
2001-3000	277	6,97,767	2.22
3001-4000	162	5,77,974	1.84
4001-5000	109	4,96,915	1.59
5001-10000	229	16,11,204	5.13
10001-and above	227	2,34,24,447	74.62
Total	34,062	3,13,92,416	100.00

PATTERN OF SHAREHOLDING AS ON MARCH 31, 2024

Sl. No	Category	No of Holders	No. of Shares held	% to paid-up capital
1.	Promoters and promoter group	10	1,05,92,876	33.74
2.	Mutual Funds/UTI	6	41,51,204	13.22
3.	Financial Institutions/Banks	1	8	-
4.	FII/NRI/OCB/FPI	969	29,49,343	9.40
5.	Bodies Corporate / Clearing Member	276	8,89,053	2.83
6.	Investor Education & Protection Fund	1	62,249	0.20
7.	Public	32,799	1,27,47,683	40.61
	Total	34,062	3,13,92,416	100.00

DEMATERIALIZATION OF SHARES AND LIQUIDITY

Particulars	No. of Shares	Percentage (in Share Capital)
National Securities Depository Limited	2,75,09,291	87.63
Central Depository Services (India) Limited	33,86,657	10.79
Physical	4,96,468	1.58
Total	3,13,92,416	100.00

OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

The details of the outstanding Warrants and its likely impact on the equity share capital of the Company upon conversion are as given in the table below:

Sl. No.	Name of the Proposed Allottee	Category	Number of Warrants allotted and outstanding as on 31.03.2024	Pre-Preferential Issue holdings		Post-Preferential Issue holdings (on a fully diluted basis)*	
				Number of Equity Shares	%	Number of Equity Shares	%
1.	Sri. B.Vijayakumar	Promoter	2,00,000	34,54,000	11.00	36,54,000	11.46
2.	Smt.Rajsri Vijayakumar	Promoter Group	1,50,000	21,79,156	6.94	23,29,156	7.30
3.	L.G.B. Auto Products Private Limited	Promoter Group	75,000	18,56,000	5.91	19,31,000	6.05
4.	L.G.Sports Private Limited	Promoter Group	75,000	4,50,000	1.43	5,25,000	1.65

*The post preferential percentage of shareholding has been calculated assuming that all the Warrants allotted and outstanding will be converted into Equity Shares of the Company.

Accordingly, the outstanding warrants, if converted into equity, would increase the present Paid up Share Capital from INR 3,139.24 lakhs divided into 3,13,92,416 Equity Shares of ₹ 10/- each to INR 3,189.24 lakhs divided into 3,18,92,416 Equity Shares of ₹ 10/- each.

Other than the above, the Company has not issued Global Depository Receipts or American Depository Receipt or any Convertible instruments.

PLANT LOCATION & ADDRESSES

TAMILNADU & PONDICHERRY

- LGB Corporate Office: 6/16/13, Krishnarayapuram Road, Ganapathy, Coimbatore Pincode - 641 006
- Special Machines Division: S.F.NO. 402 (Part), G V Garden, Indira Garden Road, Uppilipalayam Post, Coimbatore - 641015.
- Trichy Road Plant: 1238, Trichy Road, Coimbatore - 641018
- Saravanampatti Plant:SF No.17/4-B, Saravanampatti Village, Coimbatore North Taluk, Coimbatore - 641 035
- Chinnavedampatti Plant: Sf No 62/1,Athipalayam Road, Samburayar Thottam, Chinnavedampatti Post, Coimbatore-641049
- Sathyamangalam Plant : 70/1B, Udhayamarathu Medu Kombu Pallam, Ikkarai, Nehamam Village, Sathyamangalam, Erode, Tamil Nadu, 638401
- Chain Assembly Plant: SF No 394/1,Sathy Main Road, Ganesapuram,Kattampatti Village, Annur Tk, Coimbatore- 641107
- Ganesapuram Plant: D.No.H/767, Kunnathur, Ganesapuram, Annur Taluk, Coimbatore - 641107

- 9 Kunnathur Plant: SF No.1/561, Kunnathur Post, S.S.Kulam (Via), Coimbatore-641107
- 10 P.G.Pudur Plant: SF NO 719 / 2A, Ponnegoundanpudur, Masakavundanchettipalayam Village, Coimbatore-641107
- 11 Annur Plant: 269/A, Ganeshapuram, Kattampatti (Post), Coimbatore- 641107
- 12 Kadathur Plant: SF.No.288, Kadathur Village, Coimbatore- 641107
- 13 K. Palayam Plant: SF No. 195, Pillaiyar Kovil Street, Near Power House, Kottaipalayam Post Coimbatore Pincode - 641 110.
- 14 Vaiympalayam Plant: SF. No. 47 & 50, Kondayampalayam Village, Vaiympalayam PO, Coimbatore Pincode - 641110.
- 15 FPD - II Plant: Fine Products Division SF 226/1B C, Kumarapalayam Road, Annur, Coimbatore-641653
- 16 PMD - II - Plant: 3/142-A, Kovai Road, Ottrapalayam Village, Annur, Coimbatore Pincode - 641 653
- 17 Pillaiappampalayam Plant : S.F NO.225 - 227, 123-C, Pillaiappampalayam, Annur Road, Coimbatore-641653
- 18 Annur - II Plant, Sf No.49, Ellappalayam, Kariyampalayam Village, Coimbatore- 641697
- 19 Pongalur Plant : S.F.NO.1/175, Sathy Road, Pongalur Post, Puliampatti, Coimbatore-638459
- 20 Forged Roller Division : Mochakottampalayam, Vishwanathapuri, Karur Pincode - 639 002
- 21 Rubber Belt Division : Mochakottampalayam, Vishwanathapuri, Karur Pincode - 639 002.
- 22 Gudalur Plant : D.Gudalur (PO), Vedasanthur (Tk), Dindigul (Dist), D.Gudalur- 624620
- 23 Ambattur Plant: No. 49, Sidco Industrial Estate, Ambattur Chennai Pincode 600098
- 24 Vallam Vadugal Plant: Plot No G - 109, Sipcot Industrial Park, Vallam Vadagal, Oragadam, Sriperumpudur, Kancheepuram- 602105
- 25 Pondicherry Plant: 139/1, Ramanathapuram Village, Pathukamu, Koodapakkam Post, Pondicherry - 605502

KARNATAKA

- 26 Bangalore Plant: No.4-A, Bommasandra Industrial Area, Anekal Taluk, Bangalore Pincode - 560 009.
- 27 Mysore Plant: No. 24, industrial Suburb Mysore Pincode - 570 008.

MAHARASTRA

- 28 Chakan Plant: 343/4 Industrial Shed, Chakan Talegaon Road, Behind Hotel Marriot, Mahalunge, Khed, Pune - 410501
- 29 Ahmed Nagar Plant: MIDC, Supa Area, Supa Parner Industrial Area, Ahmed Nagar, Maharashtra Pincode - 414 301
- 30 Jalna Plant: Plot No. A -7, Jalna Phase III, Industrial Area (MIDC) Maharashtra - 431 213
- 31 Nagpur Plant: Additional Butibori Industrial Area MIDC, Plot No, A-9/1, L.G.Balakrishnan & Bros Limited Nagpur Plant, Tarsi Village, Additional Butibori Industrial Area MIDC, Butibori, Nagpur, Maharashtra, 44112

RAJASTHAN

- 32 Khushkhera Plant, G-1, 356 RIICO Industrial Area, Alwar District Pincode - 301707, RAJASTHAN
- 33 Neemrana Plant : Plot No E 1 Industrial Area, EPIP (RIICO), Neemrana (Behror)-301705

UTTARAKHAND

- 34 Rudrapur Plant: Khasra no 390, near NRI lake city, Danpur Kashipur Road, Udham Singh Nagar, Uttarakhand, 263153
- 35 Pant Nagar Plant: Sector -9,Plot No.16, IIE-Pant Nagar, Sidcul,Udham Singh Nagar, Rudrapur, -26315

HARYANA

- 36 Manesar Plant: Plot No 17, Sector 3 IMT Manes, Gurgaon-122050

Address for Correspondence

M.Lakshmikanth Joshi,
Senior General Manager (Legal) and Company Secretary
 6/16/13, Krishnarayapuram Road, Ganapathy Post, Coimbatore - 641 006.
 Phone No.0422-4611212, email: lk.joshi@lgb.co.in

Exclusive e-mail ID for Investor Grievances: The following e-mail ID has been designated for communicating investors' grievances:- secretarial@lgb.co.in

CREDIT RATING

ICRA has reaffirmed the credit rating of (ICRA) AA for the long term and (ICRA) A1+ for short term assigned for bank line and long term rating of (ICRA) AA assigned for fixed deposit Programme.

13. DISCLOSURES

- a. Disclosure on materially significant related party transactions that may have potential conflict with the interests of the listed entity at large:

All related party transactions entered into during the Financial Year 2023-24 were at an arm's length basis and were in the ordinary course of business.

There were no materially significant transactions, financial or commercial, between the Company, its Directors and its senior management or other related parties that may have a potential conflict with the interest of the Company at large. The details of the transactions with related party are provided in the Company's financial statements in accordance with the applicable Accounting Standards. All the related party transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature.

A statement of all the related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transaction.

Necessary disclosures as prescribed under the applicable Accounting Standards have been made by way of notes to the Financial Statements. The Company's 'Policy on Materiality of and dealing with Related Party Transactions' is available on the Company's website at: <https://www.lgb.co.in/wp-content/uploads/2023/08/Policy-on-Materiality-of-Related-Party-Transaction-and-Dealing-with-Related-Party-Transaction.pdf>

- b) Details of non-compliance by the listed entity, penalties, strictures imposed on the Company by Stock Exchange, SEBI or any Statutory Authorities on any matter related to capital markets during the last three years.

There have been no instances of non-compliance and no penalties or strictures have been imposed on the Company on any matter relating to the Capital Markets, either by Stock Exchanges, the Securities and Exchange Board of India or any other statutory authority during the last three years.

- c) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee

The Company has established Vigil Mechanism to provide for safeguarding against victimisation of employees who follow such mechanism. The Board has approved Whistle- Blower Policy/establishment of Vigil Mechanism pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations and is available at <https://www.lgb.co.in/wp-content/uploads/2021/08/whistle-blower-policy.pdf> As per the Policy, no personnel are denied access to the Audit Committee.

- d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements
 The Company has complied with all the mandatory requirements of corporate governance norms as enumerated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 Some of the non-mandatory requirements including of reporting of internal auditors to Audit Committee as recommended under Regulation 27 (1) read with Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 have also been adopted and complied with.
- e) Policy for determining material subsidiaries
 To determine ‘Material Subsidiary’, the Company has adopted a ‘Policy on Determination of ‘Material’ Subsidiary and the same has been hosted on the website of the Company on the following web link <https://www.lgb.co.in/wp-content/uploads/2021/08/policy-for-determining-material-subsidiaries.pdf>
 Material Unlisted Subsidiary
 During the year under review, the Company did not have any material unlisted subsidiary companies which are subject to special governance norms in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- f) Dividend Distribution Policy
 The Company has formulated the Dividend Distribution Policy as required under Regulation 43A of the Listing Regulations and also available on the website of the Company at <https://www.lgb.co.in/wp-content/uploads/2021/09/LGB-Dividend-Distribution-Policy.pdf>
- g) Commodity price risk/ commodity hedging activities
 During the Financial Year ended March 31, 2024, the Company has not engaged in commodity hedging activities.
- h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)
 During the year under review, the Company has obtained the approval of the members by passing necessary special resolution, at the Extra-Ordinary General Meeting held on 2nd March, 2024 and has obtained the In-Principle Approval(s) dated 4th March, 2024 from BSE Limited and National Stock Exchange of India Ltd (“Stock Exchanges”) and has allotted, on 13th March, 2024, 5,00,000 (five lakhs) Warrants, each fully convertible into, or exchangeable for, 1 (one) fully paid-up Equity Share of the Company having face value of ₹ 10/- each (Rupees Ten only) (“Warrants”) during the period not exceeding the period of 18 (Eighteen) months commencing from the date of allotment, for cash at a price of ₹ 1,292/- (Rupees One Thousand Two Hundred and Ninety Two only) per Warrant (including a premium of ₹ 1,282/- per Warrant) (“Warrants Issue Price”), to the Promoter and certain members belonging to Promoter Group on preferential basis upon receipt of the Warrant Subscription Amount equivalent to 25% of the Warrants Issue Price in accordance with Section 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 and Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the “SEBI ICDR Regulations”).
 Further, the Company has raised INR 1,615 lakhs (being Warrant Subscription Amount equivalent to 25% of the Warrants Issue Price) upon the allotment of the abovementioned Warrants. The said funds have been utilized towards the stated objects, as below and there is no deviation / variation in the utilization of funds.

Original object	Modified object, if any	Original allocation (Rs. in lakhs)	Modified allocation, if any (Rs. in lakhs)	Funds utilized during the year (Rs. in lakhs)	Amount of deviation/ variation (Rs. in lakhs)	Remark, if any
Infusion of funds in RSAL Steels Private Limited (acquired / in the process of acquiring through Corporate Insolvency Resolution Process) / Modernization of equipment / General corporate purpose	NIL	1,615.00	NIL	NIL	NIL	NIL

- i) A Certificate required from a Practicing Company Secretary with regards to debarment / disqualification of any of the Directors on the Board of the Company from being appointed or continuing as Directors of the Company by the SEBI / Ministry of Corporate Affairs or any such statutory authority is annexed in this report.
- j) During the year under review, there were no instances wherein recommendation of any Committee of the Board, which is mandatorily required for approval of the Board, were not accepted by the Board.
- k) Details of total fees for all services paid by the Company to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part have been included in the notes to Financial Statements which forms integral part of the Annual Report.
- l) Disclosures required under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 have been included in the Directors’ Report which forms part of the Annual Report. Further, the Company has constituted an Internal Complaints Committee. During the year 2023-24, no complaint was received by the Committee. As such, there are no Complaints pending as at the end of the Financial Year.
- m) Details of Loans and advances in the nature of loans to firms/companies in which Directors are interested by name and amount: Not Applicable
- n) Details of material subsidiaries of the listed entity (based on the financials for the year ended March 31, 2024), including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries: Not Applicable
14. Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above with reasons thereof: NIL
15. Apart from the above, the Company has not adopted any of the discretionary requirements as specified in Part E of Schedule II of SEBI Listing Regulations.

GENERAL DISCLOSURES:

DISCLOSURE OF ACCOUNTING TREATMENT

In the preparation of the Financial Statements, the Company has followed the applicable Indian Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

RISK MANAGEMENT

Business risk evaluation and Management is an ongoing process within the Company. The assessment is periodically examined by the Board.

DISCLOSURE OF AGREEMENTS BINDING THE COMPANY

The Company does not have any agreements specified under Regulation 30A read with Clause 5A of Para A of Part A of Schedule III to the listing regulations.

DISCLOSURES WITH RESPECT TO THE DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT

In terms of Regulation 39(4) of Securities of Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule VI thereof, the Company has opened a demat account in the name and style “L.G.Balakrishnan & Bros Limited - Unclaimed Shares Suspense Account”. The disclosures with respect to demat suspense account are as follows:

Particulars	Number of Shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	222	47,209
Less: Number of shareholders to whom shares were transferred from suspense account during the year	2	1,827
Less : Number of shareholders whose shares were transferred from suspense account to the IEPF account	-	2,020
Aggregate number of shareholders and outstanding shares in the suspense account lying as on March 31, 2024.	220	43,362

The voting rights on the outstanding unclaimed shares as on March 31, 2024 shall remain frozen till the rightful owners of such shares claims the shares by submission of the requisite documentary proof of their identity to the Company’s Registrar & Share Transfer Agent.

All corporate benefits on such shares shall be credited to the unclaimed suspense account, as applicable for a period of seven years and thereafter be transferred in accordance with the provisions of Section 124(5) and Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules).

16. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub - regulation (2) of Regulation 46 of the Listing Regulations.

CERTIFICATE FROM CEO/CFO

The CEO/CFO certification of the Financial Statements for the year has been submitted to the Board of Directors, in its meeting held on 29th April, 2024 as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company has framed a code of conduct for prevention of insider trading based on SEBI (Prohibition of Insider Trading) Regulations, 2015. This code is applicable to all Directors / Officers / Designated Employees. The code ensures the prevention of dealing in shares by persons having access to unpublished price sensitive information. The Company has also formulated “The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)” in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company has also adopted structured digital database system to monitor and control the Prohibition of Insider Trading as per the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Company has also formulated “The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)” in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015.

CODE OF CONDUCT

The Board of Directors have laid down a code of conduct for all Board Members and Senior Management of the Company. The same has been posted on the website of the Company. All Board Members and Senior Management personnel have affirmed their compliance with the code of conduct for the year under review.

17. DECLARATION - CODE OF CONDUCT

I, B.Vijayakumar (DIN: 00015583), Executive Chairman of L.G.Balakrishnan & Bros Limited, declare that all the Members of the Board of Directors and Senior Management have, for the year ended March 31, 2024 affirmed compliance with the Code of Conduct laid down by the Board of Directors and Senior Management in terms of Regulation 26(3)&(5) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place : Coimbatore
Date : 29.04.2024

B. VIJAYAKUMAR
Executive Chairman
DIN: 00015583

CERTIFICATE ON CORPORATE GOVERNANCE

To
 The Members of **L G Balakrishnan & Bros Limited**

We have examined the compliance conditions of Corporate Governance by M/s. L G Balakrishnan & Bros Limited (“the Company”) for the financial year ended March 31, 2024 as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

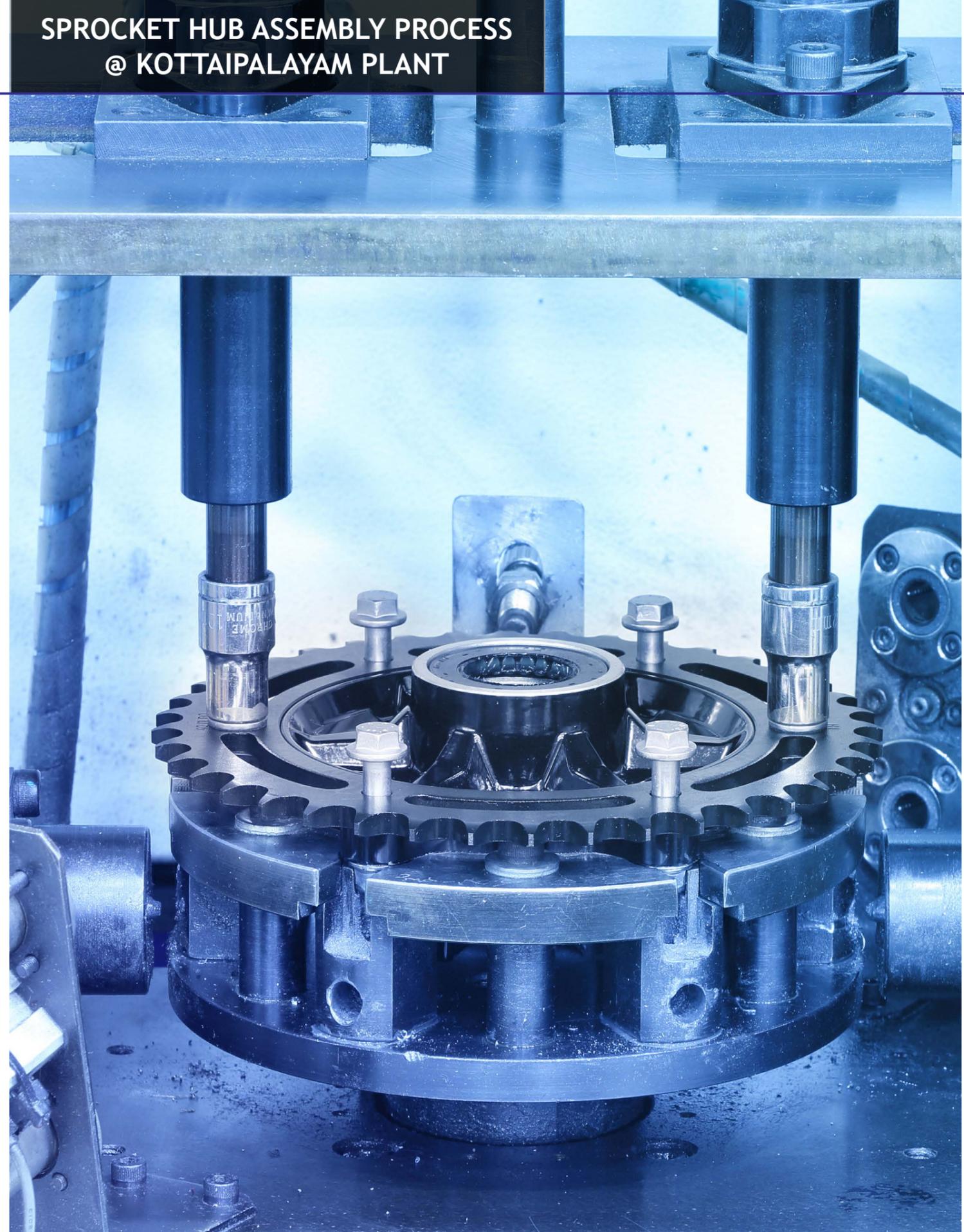
In our opinion and to the best of our information and according to the explanation given to us and based on the representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March, 2024.

We further state that such compliance is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

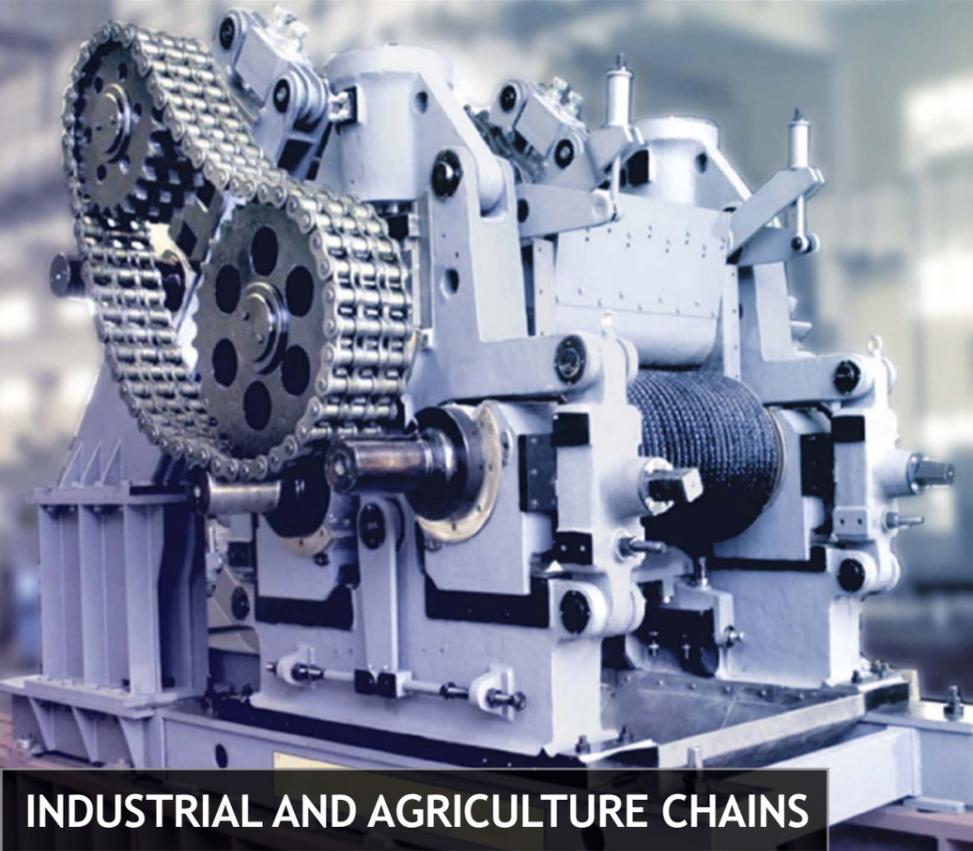
Place : Coimbatore
 Date : 29.04.2024

For **MDS & Associates LLP**
 Company Secretaries
M D SELVARAJ
 Managing Partner
 FCS No.: 960 / C P No.: 411
 Peer Review No. 3030/2023
 UDIN: F000960F000260362

**SPROCKET HUB ASSEMBLY PROCESS
 @ KOTTAIPALAYAM PLANT**



CHAINS FOR OFFROADING VEHICLES/GOKART



INDUSTRIAL AND AGRICULTURE CHAINS

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members,
L G Balakrishnan & Bros Limited
CIN: L29191TZ1956PLC000257
6/16/13 Krishnarayapuram Road
Ganapathy, Coimbatore -641006
Tamil Nadu, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s. L G Balakrishnan & Bros Limited** having CIN: **L29191TZ1956PLC000257** and having registered office at 6/16/13 Krishnarayapuram Road, Ganapathy, Coimbatore -641006, Tamil Nadu, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company, as stated below for the Financial Year ending on 31st March, 2024, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sl.No.	Name of the Director	DIN	Date of Appointment in Company
1.	Mr. Balakrishnan Vijayakumar - Executive Chairman	00015583	25-11-1986
2.	Mr. Palanisamy Prabakaran - Managing Director	01709564	30-05-2008
3.	Mr. Rajiv Parthasarathy - Executive Director	02495329	10-06-2021
4.	Mrs. Rajsri Vijayakumar	00018244	30-10-2006
5.	Mr. Sitharaman Sivakumar	00016040	28-06-1996
6.	Mr. Palanisamy Shanmugasundaram	00119411	24.05.2001
7.	Mr. Venkatesalu Govindarajulu	00016108	29.06.1998
8.	Mr. Ramani Vidhya Shankar	00002498	30.05.2008
9.	Mrs. Kanchana Manavalan#	07497403	31-01-2019
10.	Mr. Rajkumar Doraisamy Gopaldasamy	00197696	29-04-2019
11.	Mr. Vinay Balaji Naidu	09232643	04-08-2021

#Re-appointed as Independent Director for the second term w.e.f 31st January, 2024

Ensuring the eligibility for the appointment / re-appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **MDS & Associates LLP**
Company Secretaries

M D SELVARAJ
Managing Partner
FCS No.: 960 / C P No.: 411
UDIN: F000960F000260373
Peer Review No. 3030/2023

Place : Coimbatore
Date : 29.04.2024

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING FORMAT

SECTION A: GENERAL DISCLOSURES

I Details

1. Corporate Identity Number (CIN) of the Listed Entity	L29191TZ1956PLC000257
2. Name of the Listed Entity	L.G. BALAKRISHNAN & BROS LIMITED
3. Year of incorporation	24/03/1956
4. Registered office address	6/16/13, Krishnarayapuram Road, Ganapathy, Coimbatore - 641 006.
5. Corporate address	6/16/13, Krishnarayapuram Road, Ganapathy, Coimbatore - 641 006.
6. E-mail	info@lgb.co.in
7. Telephone	0422 2532325
8. Website	https://www.lgb.co.in
9. Financial year for which reporting is being done	April 1, 2023 to March 31, 2024
10. Name of the Stock Exchange(s) where shares are listed	1. BSE Limited 2. The National Stock Exchange of India Ltd
11. Paid-up Capital	₹ 31,39,24,160 (Non Diluted)
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:	Sri.P.Prabakaran Managing Director p.prabakaran@lgb.co.in 0422 2532325
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated Financial Statements, taken together).	Disclosures made in this report are on a standalone basis
14. Name of assurance provider	Not Applicable
15. Type of assurance obtained	Not Applicable

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Transmission	Manufacture of Transmission Chains for Automotive and Industrial application	82.98 %
2.	Metal Forming	Manufacture of Fine Blanking Products for Automotive Sector	17.02 %

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Transmission	2814	82.98 %
2.	Metal Forming	2592	17.02 %

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	36	29	65
International	1	1	2

19. Markets served by the entity:

(a) Number of locations

Locations	Number
National (No. of States)	We supply our products to most of the States in India
International (No. of Countries)	We export our products to about 30 countries

(b) What is the contribution of exports as a percentage of the total turnover of the entity?

Exports contribute around 12.76% of the total turnover of the entity

(c) A brief on types of customers.

L.G.Balakrishnan & Bros Limited is one of India's leading manufacturer of Automotive & Industrial Chains, Sprockets, Tensioners, Fine Blanking, Forging, Precision Machined Parts, Rubber Parts, Engine assembly and Sub-Assemblies and the Company serves a diversified customer base including Indian and global OEMs. In addition to supply to OEMs, the Company also sells products in the aftermarket.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	2626	2541	97%	85	3%
2.	Other than Permanent (E)	1514	1344	89%	170	11%
3.	Total employees (D + E)	4140	3885	93%	255	7%
WORKERS						
4.	Permanent (F)	455	450	99%	5	1%
5.	Other than Permanent (G)	7140	5273	74%	1867	26%
6.	Total workers (F + G)	7595	5723	75%	1872	25%

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	5	5	-	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D + E)	5	5	-	-	-

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	-	-	-	-	-
5.	Other than permanent (G)	-	-	-	-	-
6.	Total differently abled workers (F + G)	-	-	-	-	-

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	11	2	18.18 %
Key Management Personnel	5	Nil	Nil

22. Turnover rate for permanent employees and workers. (Disclose trends for the past 3 years)

	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	17%	19%	17%	4%	5%	4%	16%	12%	15%
Permanent Workers	8%	0%	8%	1%	0%	1%	3%	59%	4%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / Subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	LGB USA INC	Subsidiary	96%	No
2	GFM Acquisition LLC	Step down Subsidiary	98.47%	No
3	GFM LLC	Step down Subsidiary	100%	No
4	RSAL Steel Private Limited	Wholly Owned Subsidiary	100%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013. If yes, indicate the Turnover and Networth details: Yes

(ii) Turnover (₹ In lakhs) : ₹ 2,08,002.19 lakhs

(iii) Net worth (₹ In lakhs) : ₹ 1,61,805.48 lakhs

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	(If Yes, then provide web-link for grievance redress policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
	Communities	No, the business of the Company is such that it does not affect the community. However, the Plant head and HR head at the Company's manufacturing facilities engage with the local communities located in the vicinity on an ongoing basis	Nil	Nil	Nil	Nil	Nil
Investors (other than shareholders)	NA	Nil	Nil	Nil	Nil	Nil	Nil
Shareholders	https://www.lgb.co.in/investor-relations/shareholder-grievance-redressal/	8	0	All the Complaints have been duly addressed and resolved.	0	0	No Complaints Pending
Employees and workers	https://www.lgb.co.in/wp-content/uploads/2021/08/whistle-blower-policy.pdf	Nil	Nil	Nil	Nil	Nil	Nil

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	(If Yes, then provide web-link for grievance redress policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Customers	https://www.lgb.co.in/about-us/quality/	Nil	Nil	Nil	Nil	Nil	Nil
Value Chain Partners	https://www.lgb.co.in/wp-content/uploads/2021/08/whistle-blower-policy.pdf	Nil	Nil	Nil	Nil	Nil	Nil
Other (please specify)	Not Applicable						

26. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No	Material issues identified	Indicate whether risk or opportunity	Rationale for identifying risk/opportunity	In case of risk, approach to adapt or mitigate	Financial Implications of the risk or opportunity (indicate positive or negative implications)
1.	Energy Management	Opportunity	Energy Management includes the aspects of energy consumption, energy efficiency, and energy intensity in operations and also strategising the deployment by reducing energy consumption and integrating renewable energy for greening the business operations to meet India's 2070 Net Zero commitments.	NA	Positive Implications

S. No	Material issues identified	Indicate whether risk or opportunity	Rationale for identifying risk/opportunity	In case of risk, approach to adapt or mitigate	Financial Implications of the risk or opportunity (indicate positive or negative implications)
2.	Workplace health and Safety	Opportunity	Strong internal controls and governance mechanism are in place at each of the factory. This improves the employee/ worker safety and overall health wellbeing, leading to improved productivity.	The assessment of health and environmental risks are done on a continuous basis. Various methods to mitigate risk are done from time to time. The Grievance redressal mechanism is in place. At each of the factory, proper remedial action is planned and implemented.	Positive Implication
3.	Quality & Service Delivery	Opportunity	Maintaining quality, sustainable usage of products with reduced environmental and social impacts with its affordability is fundamental need for improving customer relationship and to our brand value	Risk mitigation mechanisms are in place as we meet the quality standards of our customers on a continuous basis. By supplying products that demand higher safety and quality standards, the Company can potentially open up newer customer segments.	Financial implications of quality related issues could lead to lost sales. Moving to higher thresholds of product safety and quality would entail R&D investment prior to incremental revenue accruing from the same.
4.	Water-Positive Approach	Opportunity	Responsible use of water supports the Company's actions towards sustainable growth. The Company runs the discharged/ used water in its offices and units through STPs to re-use it again for watering the plants and trees in its premises and make sure water consumption is minimized. Water sources depletions has wider impact on quality of life of communities and surrounding ecosystems.	Constant efforts towards reducing water withdrawal, water consumption and water wastage along with managing natural water resources develops a balance. Company has installed rainwater harvesting systems to replenish the water table.	Positive, Conservation of water leads to Positive economic benefit as it brings about cost saving, Efficient usage of resources and help comply Regulatory compliance and Beyond.

S. No	Material issues identified	Indicate whether risk or opportunity	Rationale for identifying risk/opportunity	In case of risk, approach to adapt or mitigate	Financial Implications of the risk or opportunity (indicate positive or negative implications)
5.	Corporate Governance	Opportunity	Embracing business ethics and integrity creates opportunities for ethical leadership, stakeholder trust, and social responsibility.	NA	Positive Ethical and transparent business processes help in monitoring risk and mitigation loss leading to longterm and sustainable economic growth.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

S.No	Principal Description
P1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive to all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements:

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	All employee related policies are uploaded on the intranet portal of the Company for communication and implementation. Other policies are uploaded on the Company's website in following links: https://www.lgb.co.in/investor-relations/policy/								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	IATF 16949:2016, ISO 9001:2015, EMS / ISO 14001:2015, OHS / ISO 45001:2018, 9K IQNET, 14K IQNET, 45K IQNET & Star Export House								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	LGB is committed to embracing sustainability as a core pillar of our operations. The Company has set targets for ESG commitments, produce carbon footprint, inter-alia, related to Energy Conservation, Nature-Positive and Safe Workplace, Equitable and Inclusive Workplace, Water Stewardship, Ethics, Transparency, Quality, Accountability and Governance and promoting education, healthcare, women empowerment and sanitation through its CSR initiatives and have a positive impact on the society and environment at large. The Company monitors the performance against the specific commitments on an ongoing basis.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Company has a mechanism in place to review its goals and targets periodically and takes necessary corrective actions wherever required.								
Governance, leadership and oversight									
7. Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>LGB has consistently been dedicated to sustainability. We recognize that our environment around us and the communities living around our plants are essential to achieving our strategic objectives. Our Business Responsibility and Sustainability Report (BRSR) demonstrates our unwavering commitment and approach to sustainability in the realms of Environment, Employees, and Community. We deeply understand the significance of environmental preservation, empowering our workforce, and maintaining transparency within the industry to establish a sustainable business.</p> <p>The Company is committed to ESG and carbon foot print. The Company always adopts the methods for reduction and optimal utilization of energy, water, raw material etc. by incorporating new techniques and innovative ideas. The Company took initiatives to reduce the electricity and water consumption by adopting latest technologies.</p> <p>We possess the capability to establish a system that supports us in attaining our set goals, and we shall continue to do so aligning these goals with the interests of our stakeholders in the long term.</p>								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Sri.P.Prabakaran, Managing Director (DIN:01709564), under the guidance of the Board of Directors and its Committees is responsible for implementation and oversight of the Business Responsibility policies								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	LGB's Board of Directors has established committees that are crucial in shaping the company's strategy, vision, and governance practices. These committees ensure the implementation of robust mechanisms and policies across various areas, including risk management, compliance, sustainability, and reporting.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details. (contd)	<p>The CSR (Corporate Social Responsibility) committee focuses explicitly on responsibly operating socially, environmentally, and ethically. It sets guidelines for the company to contribute to social welfare, support environmental initiatives, and extend assistance to needy people, embodying</p> <p>LGB's commitment to positively impacting society and promoting responsible business practices.</p>								

10. Details of Review of NGRBCs by the Company:																		
Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against Above policies and follow up action	The policies of the Company are reviewed periodically / on a need basis by department heads / directors /board committees / board members, wherever applicable																	
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	The Company is in Compliance with all the statutory requirements of principles to the extent applicable. Status of compliance with all applicable statutory requirements is reviewed by the Board on a regular basis.																	
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9	No external evaluation was undertaken. However, the processes and compliances are subject to scrutiny by Internal Auditors, and regulators, as applicable. Policies are periodically evaluated and updated by various department heads, business heads, and approved by the Management and/ or Board.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible..

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programs on any or all the principles in the financial year

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	6	During quarterly Board / Committee Meetings, all Board / Committee Members and KMPs were updated on a regular basis, by way of presentations which covered, inter-alia, information on business performance, operations, regulatory updates and compliances, risk Management, health, safety and environment performance, HR and CSR initiatives and such other areas as may arise from time to time.	100.00%
Key Managerial Personnel	6		100.00%
Employees other than BoD and KMPs	919	Training is imparted to employees on various subjects around Business Process Re-Engineering, POSH ESG, Sustainability, well-being, QHSE, ethical/ cultural, human rights, skill upgradation, policy, compliance and technical.	100.00%
Workers	156	Workers undergo training on topics such as technical, human rights, QHSE, soft skills, Health & Hygiene etc	100.00%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by Directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

The Company had no monetary and non-monetary fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by Directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year FY2023-24 based on materiality thresholds.

Monetary					
Particular	NGRBC Principle	Name of the regulatory / Enforcement agencies / judicial institutions	Amount	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NIL	NA	NIL	NA	NO
Settlement	NIL	NA	NIL	NA	NO
Compounding Fee	NIL	NA	NIL	NA	NO

Non-Monetary					
Particular	NGRBC Principle	Name of the regulatory / Enforcement agencies / judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NIL	NA	NIL	NA	NO
Punishment	NIL	NA	NIL	NA	NO

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies / judicial institutions
NA	NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy:

LGB has Anti-Corruption and Bribery policy which lays down guidelines for transparent and fair interactions. The same can be accessed here on the company's website Anti-Bribery and Anti-Corruption Policy.

The policy is applicable to all employees, Board of Directors, subsidiaries, and Business Associates (suppliers, contractors, and other key business partners) of the Company and states zero tolerance toward any form of bribery and corruption. As per the policy, employees, Directors, and Company representatives are not permitted to offer or receive bribes in the form of gifts, cash, facilities, or any other manner, either directly or indirectly

URL of the Policy: <https://lgb.co.in/wp-content/uploads/2023/08/ANTI-BRIBERY-AND-CORRUPTION-POLICY.pdf>

5. Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:

	FY 2023-2024 (Current Financial Year)	FY 2022- 2023 (Previous Financial Year)
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest:

	FY 2023-2024 (Current Financial Year)		FY 2022- 2023 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NA	NIL	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NA	NIL	NA

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest:

Not Applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY23-24 (Current Financial Year)	FY22-23 (Previous Financial Year)
Number of days of accounts payables	63	54

9. Openness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY23-24 (Current Financial Year)	FY 22-23 (Previous Financial Year)
Concentration of Purchases	Purchases from trading houses as % of total purchases	6 %	5 %
	Number of trading houses where purchases are made from	136	121
	Purchases from top 10 trading houses as % of total purchases from trading houses	35 %	38 %
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	32.66 %	32.63 %
	b. Number of dealers / distributors to whom sales are made	877	878
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	20 %	21 %

Parameter	Metrics	FY23-24 (Current Financial Year)	FY 22-23 (Previous Financial Year)
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	2587.18 lakhs	1908.47 lakhs
	b. Sales (Sales to related parties / Total Sales)	2467.20 lakhs	3484.81 lakhs
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	500.00 lakhs	-
	d. Investments (Investments in related parties / Total Investments made)	3636.77 lakhs	-

LEADERSHIP INDICATORS

- Awareness programmes conducted for value chain partners on any of the principles during the financial year: All direct material suppliers covered business ethics and sustainability programmes and sessions.
- Does the entity have processes in place to avoid / manage conflicts of interest involving members of the Board? (Yes / No) If Yes, provide details of the same.

Yes, we do have a policy in place, viz., the “Code of Conduct for Members of the Board and Senior Management” are formulated and the same has been adopted by the Board of Directors of the Company. The Code of Conduct can be seen at the following web-link:

<https://www.lgb.co.in/wp-content/uploads/2021/08/directors-senior-management.pdf>

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the company, respectively.

Type	FY2023-2024 Current Financial Year	FY2022-2023 Previous Financial Year	Details of improvements in environmental and social impacts
Research & Development (R&D)	1.48 %	0.36 %	During the financial year under review the Company continued to work on technology upgradation.
Capital Expenditure (CAPEX)	32.70 %	3.66 %	The Company is making significant investments to improve efficiency of its various operations.

- 2a. Does the company have procedures in place for sustainable sourcing? (Yes / No)

Yes, the policy covers Business integrity, Employee Health and Safety, Responsible manufacturing, Environment protection and resource conservation.

- 2b. If yes, what percentage of inputs were sourced sustainably?

Not Applicable

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Since the product, is directly supplied to the OEMs, the Company has limited scope for reclaiming it at the end of its life cycle. The Company, however, has environmental Management system, and have operational control procedures to generate, handle, store and disposal of wastes like, E waste, hazardous wastes and other wastes in a safe manner.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Extended Producer Responsibility is currently applicable to LGB's activities. However, waste Management plan of the Company considers the evolving regulations both from a waste minimization and recycling/reuse perspective. LGB also engages its communities to propagate plastic reuse through its energy and resource conservation programs.

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No) If yes, provide the web link
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The Company has not conducted any life cycle assessment for the products till date. However, it is planning to carry out the LCA for products in the coming future. However, this process is done by various OEMs.

2. If there are any significant social or environmental concerns and / or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same

Name of Product/Service	Description of the risk/concern	Action Taken
Transmission	Nil	Nil
Metal Forming	Nil	Nil

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Steel, Aluminium	Nil	Nil

4. Of the products and packaging collected at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Re-Used	Re-cycled	Safely Disposed	Re-Used	Re-cycled	Safely Disposed
Plastics (including packaging)	NIL	6 MT	NIL	NIL	NIL	NIL
E-waste	NIL	NIL	NIL	NIL	NIL	NIL

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Re-Used	Re-cycled	Safely Disposed	Re-Used	Re-cycled	Safely Disposed
Hazardous waste	NIL	NIL	NIL	NIL	NIL	NIL
Other waste	NIL	NIL	NIL	NIL	NIL	NIL

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Transmission	Since the product is directly supplied to the OEMs, the Company has limited scope for reclaiming it at the end of its life cycle.
Metal Forming	

PRINCIPLE 3: Businesses should respect and promote the wellbeing of all employees, including those in their value chains

ESSENTIAL INDICATORS

1.a Details of measures for the well-being of employees.

Category	% of employees covered by										
	Total(A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number(B)	%(B/A)	Number(C)	%(C/A)	Number(D)	%(D/A)	Number(E)	%(E/A)	Number(F)	%(F/A)
Permanent Employees											
Male	2541	2541	100%	2541	100%	-	-	-	-	2541	100%
Female	85	85	100%	85	100%	85	100%	-	-	85	100%
Total	2626	2626	100%	2626	100%	85	100%	-	-	2626	100%
Other Than Permanent Employees											
Male	1344	-	-	1344	100%	-	-	-	-	1344	100%
Female	170	-	-	170	100%	170	100%	-	-	170	100%
Total	1514	-	-	1514	100%	170	100%	-	-	1514	100%

1.b Details of measures for the well-being of workers.

Category	% of employees covered by										
	Total(A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number(B)	%(B/A)	Number(C)	%(C/A)	Number(D)	%(D/A)	Number(E)	%(E/A)	Number(F)	%(F/A)
Permanent Workers											
Male	450	450	100%	450	100%	-	-	-	-	450	100%
Female	5	5	100%	5	100%	5	100%	-	-	5	100%
Total	455	455	100%	455	100%	5	100%	-	-	455	100%

Category	% of employees covered by										
	Total(A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number(B)	%(B/A)	Number(C)	%(C/A)	Number(D)	%(D/A)	Number(E)	%(E/A)	Number(F)	%(F/A)
Other Than Permanent Workers											
Male	5273	-	-	5273	100%	-	-	-	-	5273	100%
Female	1867	-	-	1867	100%	1867	100%	-	-	1867	100%
Total	7140	-	-	7140	100%	1867	100%	-	-	7140	100%

1 c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

	FY 2023-24 Current Financial Year	FY 2022-23 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the company	0.11	0.14

The Company recognises that ensuring the well-being of our employees goes beyond the provision of safe working conditions and the prevention of occupational diseases. In line with our organisational principles, employee, workers and in few instances family members of staff are provided with routine health checks, and additional mental health and wellbeing support.

2. Details of retirement benefits, for current and previous financial years.

Benefits	FY2023-24 (Current Financial year)			FY 2022-23 (Previous Financial Year)		
	No. of Employees Covered As a % Of Total Employees.	No. of Workers Covered As a % Of Total Workers.	Deducted and Deposited with the Authority	No. of Employees Covered As a % Of Total Employees.	No. of Workers Covered As a % Of Total Workers.	Deducted and Deposited with the Authority
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	100%	100%	Y	100%	100%	Y
Others - please specify	-	-	-	-	-	-

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard:

The company has made provisions for the differently abled employees / workers in the organization including the manufacturing sites.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

We are committed to fostering an inclusive and diverse workplace where all individuals are treated with respect and have equal opportunities for personal and professional growth. We firmly believe in providing equal employment and advancement opportunities to all employees and applicants, regardless of their race,

gender, ethnicity, religion, sexual orientation, caste, creed & color or disability. Our equal opportunity statement guides our recruitment, hiring, training, promotion, and compensation practices, ensuring a fair and equitable environment for everyone. We are dedicated to creating a workplace that celebrates diversity and promotes a culture of inclusion, where each person's unique talents and perspectives are valued and nurtured. The policy is available on the Company's intranet.

5. Return to work and retention rates of employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to Work Rate	Retention Rate	Return to Work Rate	Retention Rate
Male	-	-	-	-
Female	5	100%	-	-
Total	5	100%	-	-

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Permanent Workers	Yes, the grievances of employees & workers are addressed and resolved through effective mechanism and approach. An efficient grievance redressal system has been set up at LGB. We also have an efficient Whistleblower mechanism that empowers associates of the company, including subsidiaries, to approach the Ombudsperson/Chairman of the Audit Committee of the Board of the company and make protective disclosures about unethical behavior and actual or suspected fraud. Further, an Internal Complaints Committee is also present, as required by law. The Company conducts regular site visits by management and undertakes annual opinion surveys which provides a mechanism for individual issues to be reported.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and workers in association(s) or unions recognized by the listed entity:

Category	FY 2023-2024 (Current Financial Year)			FY 2022-2023 (Previous Financial Year)		
	Total employees/worker in respective category (A)	No. of employees/Workers in respective category, who are part of association(s) or Union (B)	%(B / A)	Total Employee/workers in respective category (C)	No. of employees/workers in respective category, who are part of association (s) or Union (D)	%(D/C)
Total Permanent Employees	-	-	-	-	-	-
-Male	-	-	-	-	-	-
-Female	-	-	-	-	-	-
Total Permanent Workers	455	455	100%	492	492	100%
-Male	450	450	100%	487	487	100%
-Female	5	5	100%	5	5	100%

8. Details of training of employees and worker (% to total no. of employees / workers in the category):

Category	FY 2023-2024 (Current Financial Year)				FY 2022-2023 (Previous Financial Year)					
	Total (A)	On Health and Safety Measures		On skill upgradation		Total (D)	On Health and Safety Measures		On skill upgradation	
		No (B)	%(B/A)	No (C)	%(C/A)		No(E)	%(E/D)	No(F)	%(F/D)
EMPLOYEES										
Male	2541	2541	100%	2541	100%	2401	2401	100%	2401	100%
Female	85	85	100%	85	100%	75	75	100%	75	100%
Total	2626	2626	100%	2626	100%	2476	2476	100%	2476	100%
WORKERS										
Male	450	450	100%	450	100%	487	487	100%	487	100%
Female	5	5	100%	5	100%	5	5	100%	5	100%
Total	455	455	100%	455	100%	492	492	100%	492	100%

9. Details of performance and career development reviews of employees and workers

Category	FY 2023-2024 (Current Financial Year)			FY 2022-2023 (Previous Financial Year)		
	Total (A)	No (B)	%(B/A)	Total (C)	No(D)	%(D/C)
EMPLOYEES						
Male	2541	2541	100%	2401	2401	100%
Female	85	85	100%	75	75	100%
Total	2626	2626	100%	2476	2476	100%
WORKERS						
Male	450	NA	NA	487	NA	NA
Female	5	NA	NA	5	NA	NA
Total	455	NA	NA	492	NA	NA

10. Health and Safety Management System

a. Whether an occupational health and safety Management system has been implemented by the entity? (Yes / No). If yes, the coverage of such system?

Yes, Health and Safety is of utmost importance to LGB. The Company is certified with ISO - 45001 and ISO 14001 standards at all the plant and office locations. This standard enables organisation to provide safe and healthy workplaces by preventing work-related injury and ill health, as well as by proactively improving its Occupational Health and Safety performance. Employees working at the plants are trained on environment, health and safety best practices regularly and in accordance with the Company policy and local and statutory regulations

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company, as part of its Environment, health and safety management process implements Hazard Identification and Risk Assessment (HIRA) across all its activities - routine and non-routine. This process is aligned to the ISO 45001 standard and helps LGB in estimating the magnitude of potential risks and deciding whether risks identified are manageable or not.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y / N)

Yes, we have Hazard reporting in the Incident reporting system and the same will be updated in HIRA. Periodic awareness sessions to build 'Safety First' mindset are being conducted.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. LGB has health and insurance benefits and employee wellness programmes.

11. Details of safety-related incidents during the current financial year.

Safety Incident / Number	Category	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Zero Lost Time Injury	Zero Lost Time Injury
	Workers		
Total recordable work-related injuries	Employees	Zero	Zero
	Workers		
No. of fatalities	Employees	Zero	Zero
	Workers		
High consequence work-related injury or ill health (excluding fatalities)	Employees	Zero	Zero
	Workers		

12. Describe the measures taken by the entity to ensure a safe and healthy work place:

The Company ensures Occupational Health and Safety (OHS) standards are bench-marked with global best practices and standards at all locations. A knowledgeable and experienced Environmental, Health, and Safety (EHS) management team has been deployed across all locations to continuously monitor and manage the systems and respond to emergencies whenever needed. The Company's all manufacturing sites in India are ISO 45001 / ISO 14001 certified. All employees who have access to operating sites are covered under these Occupational Health and Safety management systems which are audited periodically. Every plants routinely carries out risk assessments to identify and rate hazards/risk and implement protective measures to minimise exposure. Along with that site's develop and deploy Safe Working Instructions for each and every routine/ standard activity.

13. Number of Complaints on the Working Conditions and Health & Safety made by employees and workers:

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

14. Assessment for the financial year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety practices	100%
Working conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Prevention of safety-related incidents is one of our highest priorities. The Company carries out detailed investigation for any safety related incidents which includes accidents & serious dangerous occurrences. We have an extensive safety programme, which includes formal training for all employees, preventive measures such as pre-job safety analyses and a system aimed at identifying risks, taking corrective actions and preventing incidents. The overall reduction in health and safety incidences is attributed to the strong commitment of both

management and workers to ensure a safe working environment by adhering to the Company's prescribed approach and adopting a health and safety-first mind-set in the execution of duties.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) employee (Y / N) (B) worker (Y / N)

Yes, Company Covers employees and workers under various insurance benefits like mediclaim policy, Group Personal Accidents policy and employees deposit insurance scheme to protect employees family livelihood.

2. Provide the measures undertaken by the Company to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company has a process in place for ensuring the compliance of the statutory dues such as GST, direct tax, employee related deductions etc. and its payments as applicable of the relevant value chain partners of the Company. The Company has a practice of informing the vendors about the statutory changes affecting their responsibilities in respect of deduction/ withholding of tax at source in respect of their transactions with the Company.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment.

Particulars	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24 (Current Financial year)	FY 2022-23 (Previous Financial year)	FY 2023-24 (Current Financial year)	FY 2022-23 (Previous Financial year)
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the Management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes

5. Details on assessment of value chain partners

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety practices	100% of direct material suppliers
Working conditions	100% of direct material suppliers

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity:

The Company firmly believes that for achieving its sustainability goal of all-round growth and development, stakeholders play a key role. At LGB, we want to create long term value for all our stakeholders by building a better, sustainable tomorrow.

The Stakeholder groups are identified based on the nature of their engagement with the Company. The main stakeholders are those who directly and indirectly benefit from the business operations and activities as well as those with whom we regularly communicate for the purpose of reporting, establishing relationships, conducting business, etc. There are both internal and external groups of stakeholders

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group. (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Email, Notice boards, Intranet	Regular	Employee satisfaction Talent retention Remuneration and other employee benefits Grievance resolution Diversity and equal opportunity Safety, health and well-being
Vendors/ contractors	No	Supplier meets Emails Plant visits Discussion meetings	Regular	Cost, Timely delivery Ethical behaviour, Product quality Health & safety
Regulatory bodies and government agency	No	Emails, meetings	Periodically	Legal / regulatory/ statutory updated & compliances
Customers	No	Businesses interactions Formal customer and distributor meets Market visits	Ongoing as and when required	product quality and time delivery Customer satisfaction and opportunities for improvements. Customer complaints (if any)

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group. (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Email, Website, Newspaper	Regular	Dividend Updates and performance progress of the entity
Communities	Yes, certain sections of communities	Direct Corporate Social Responsibility (CSR) initiatives	as and when required	Assessment of need and impact of CSR initiatives. Harmonious relations with local communities in and around the geographical areas in which the Company operates

LEADERSHIP INDICATORS

- Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.
Feedback/grievances, if any received from various stakeholders are updated to the Board based on relevance by respective functional heads.
- Whether stakeholder consultation is used to support the identification and Management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.
Yes. Materiality and product carbon foot print assessment and stakeholder inputs are taken forward to identify material topics of concern on ESG topics. Based on the significance of these concerns, strategy development, policy formulation and monitoring mechanisms are developed and implemented
- Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.
The Company recognizes the importance of addressing the concerns of vulnerable and marginalized stakeholder groups, and we have implemented various programs and initiatives through our Corporate Social Responsibility (CSR) efforts to support these communities.
Our CSR initiatives are strategically designed to address the specific needs of these groups and other community members.
For more information, please refer the Corporate Social Responsibility (CSR) Section of this Annual Report.

PRINCIPLE 5: Businesses should respect and promote human rights

ESSENTIAL INDICATORS

- Employees and workers who have been provided training on human rights issues and policy (ies) of the entity, in the following format:

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. of employees/workers covered (B)	%(B/A)	Total (C)	No. of employees/workers covered (D)	%(D/C)
EMPLOYEES						
Permanent	2626	2626	100%	2476	2476	100%
Other than permanent	1514	1514	100%	1391	1391	100%
Total Employees	4140	4140	100%	3867	3867	100%
WORKERS						
Permanent	455	455	100%	492	492	100%
Other than permanent	7140	7140	100%	6284	6284	100%
Total Workers	7595	7595	100%	6776	6776	100%

- Details of employees and workers in terms of minimum wages paid:

Category	FY 2023-24 Current Financial Year				FY 2022-23 Previous Financial Year					
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	%(B/A)	No. (C)	%(C/A)		No. (E)	%(E/D)	No. (F)	%(F/D)
Employees										
Permanent										
Male	2541	-	-	2541	100%	2401	-	-	2401	100%
Female	85	-	-	85	100%	75	-	-	75	100%
Other than permanent										
Male	1344	1344	100%	-	-	1296	1296	100%	-	-
Female	170	170	100%	-	-	95	95	100%	-	-
Workers										
Permanent										
Male	450	-	-	450	100%	487	-	-	487	100%
Female	5	-	-	5	100%	5	-	-	5	100%
Other than permanent										
Male	5273	5273	100%	-	-	4685	4685	100%	-	-
Female	1867	1867	100%	-	-	1599	1599	100%	-	-

3. Details of remuneration / salary / wages, in the following format:

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration / salary / wages of respective category (in ₹)	Number	Median remuneration / salary / wages of respective category (in ₹)
Board of Directors (BoD)	6	180000	2	255000
Key Managerial Personnel	5	15718000	-	-
Employees other than BoD and KMP	3883	23716	255	17785
Workers	5723	17206	1872	17206

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Gross wages paid to females as % of total wages	14.64%	15.64%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Internal Complaints Committee and the human resources departments are responsible for addressing human rights impacts or issues caused or contributed to by the business.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

All employees and workers of the Company have access to grievance redressal mechanism. As part of periodic team/department meetings, an opportunity is provided for employees/ workers to voice any concerns and issues. Each factory has its own HR department, which plays a crucial role in addressing grievances for both employees and workers, ensuring a fair and effective grievance redressal process.

6. Number of Complaints on the following made by employees and worker:

Particulars	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual harassment discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced labour/ involuntary Labour Wages	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other Human rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees/ workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has implemented mechanisms to prevent adverse consequences to complainants in discrimination and harassment cases. The Company's Human Rights Policy ensures a work environment free from discrimination and harassment. The Whistle Blower policy allows the employees to report incidents which are unethical or discriminatory. The Company also has an Internal Complaints Committee for the protection of women at workplace.

9. Do human rights requirements form part of your business agreements and contracts?

Yes, human rights requirements form a part of the Company's business agreements and contracts as and where relevant.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	100% of our plants are inspected regularly by respective statutory authorities
Forced / involuntary labor	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above:

LGB has no such significant risks/concerns arising from the assessment.

LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

Nil

2. Details of the scope and coverage of any Human rights due-diligence conducted. NIL

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, Accessible Provisions available in all manufacturing locations.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Child labor	The Company has Internal Monitoring Mechanism compliance for all relevant local laws and policies pertaining to these issues at 100%. There have been no observation by local statutory authorities/external parties during the year.
Forced / involuntary labor	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above. - Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24 (Current Financial year)	FY 2022-23 (Previous Financial Year)
From Renewable sources		
Total electricity consumption (A) (Windmill) (GJ)	34574	31259
Total fuel consumption (B) (GJ)	-	-
Energy consumption through other sources (C) (Solar) (GJ)	14602	15793
Total energy consumed from Renewable resources(A+B+C) (GJ)	49176	47052
From non-renewable sources		
Total Electricity consumption(D) (EB) (GJ)	316879	300672
Total Fuel Consumption (E) (GJ)	-	-
Energy Consumption through other sources(F) (DG Set) (GJ)	4280	4946
Total energy consumed from non-renewable resources(D+E+F) (GJ)	321159	305618
Total energy consumed (A+B+C+D+E+F) (GJ)	370335	352670
Energy intensity per rupee of turnover (Total energy consumption/ revenue from operations)	0.000017	0.000017
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity(PPP) (Total energy consumed / Revenue from Operation adjusted for PPP)	0.0003718	0.0003788
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency. No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y / N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not applicable

3. Provide details of the following disclosures related to water:

Parameter	FY 2023-2024 (Current Financial Year)	FY 2022 - 2023 (Previous Financial Year)
Water withdrawal by source (in kiloliters)		
(i) Surface water	0	0
(ii) Groundwater	154089	150754
(iii) Third-party water	59457	48705
(iv) Seawater / desalinated water	0	0
(v) Others (rainwater)	0	0
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	213546	199459
Total volume of water consumption (in kiloliters)	213546	199459
Water intensity per rupee of turnover (Total water consumption / Revenue from Operations)	0.0000096	0.0000096
Water intensity per rupee of turnover adjusted for purchasing power parity (PPP) (Total water consumption/revenue from operations adjusted for PPP)	0.0002144	0.0002142
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency		
No independent assessment/evaluation/assurance has been carried out by any external agencies.		

4. Provide the following details related to water discharged:

Parameter	FY 2023-2024 (Current Financial Year)	FY 2022 - 2023 (Previous Financial Year)
Water Discharge by destination and level of treatment (in kilolitres)		
i) To Surface water	0	0
- No Treatment	0	0
- With Treatment - Specify level of treatment	0	0
ii) To Groundwater	0	0
- No Treatment	0	0
- With Treatment - Specify level of treatment	0	0
iii) To Seawater	0	0
- No Treatment	0	0
- With Treatment - Specify level of treatment	0	0
iv) Sent to third Party	0	0
- No Treatment	0	0
- With Treatment - Specify level of treatment	0	0
v) Others	0	0
- No Treatment	0	0
- With Treatment - Specify level of treatment	0	0
Total Water discharged (in kilolitres)	0	0

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation

Yes. LGB manufacturing facilities implemented Zero Liquid Discharge (ZLD) system, since all the effluent water generated due to industrial process are treated onsite. The entire treated water is recycled and reused for process.

The Company equipped with Sewage Treatment Plant (STP) advanced water treatment methods are installed and treated sewage is 100% used for Gardening and Green Belt Development within plant premises.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
NO _x	mg/Nm ³	53.49	73.77
SO _x	mg/Nm ³	6.13	6.27
Particulate matter (PM)	mg/Nm ³	11.44	22.27
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others – please specify	NA	NA	NA

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency.

No independent assessment/evaluation/assurance has been carried out by any external agencies.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity, in the following format:

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ Equivalent	8,361.07	7,767.24
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ Equivalent	52,183.47	46,214.66
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total Scope 1 and 2 GHG emissions/Revenue from operations)	tCO ₂ eq / Rs	0.0000027	0.0000026
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)	tCO ₂ eq / Rs	0.0000580	0.0000608
Total Scope 1 and Scope 2 emissions intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/evaluation/assurance has been carried out by any external agencies.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, provide details.

LGB acknowledges its commitment towards reducing environmental footprint, especially reducing GHG emission and the company has taken several initiatives on clean technology, energy efficient, renewable energy and sustainability development such as generation of electricity through Solar Plant in the manufacturing plants & facilities. The company has 22 windmills and solar with total capacity of 10.50 MW and the generated units were used for captive production. Total renewal energy consumption increased for production activity from 130.70 Lakhs units in 2022-2023 to 142.84 Lakhs units 2023-2024.

Energy efficiency measures:

- Installation of energy efficient machine with safety interlocking systems.
- Conventional lights replaced with LED lights and natural day light in most of our buildings.
- High Volume Low Speed (HVLS) fan installed in the shop floor area to reduced high power consumption.
- VFD system installed in higher capacity motors to conserve energy.
- Thyristor controls installed in furnace heater s to maintaining the desired temperature.
- Thermography study conducted through competent agency in electrical system t eliminating over heating of electrical equipments.
- Inverter type 3 Start/5 Star Split AC using in office area.
- Time switches installed at various places for automatic control of streetlights

9. Provide details related to waste Management by the entity, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total waste generated (in metric tonnes)		
Plastic waste (A)	138.18	63.83
E-waste (B)	0.29	0.61
Biomedical waste (C)	0.005	0.01
Construction and demolition waste (D)	NA	NA
Battery waste (E)	NA	NA
Radioactive waste (F)	NA	NA
Other hazardous waste. Please specify, if any. (G)	1900.51	1809.71
Other non-hazardous waste generated Please specify, if any. (H) (Break-up by composition i.e. by materials relevant to the sector)	20820.26	19723.17
Total (A+B + C + D + E + F + G + H)	22859.24	21597.33

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Waste intensity per rupee of turnover (Total waste generated / Revenue from Operations)	0.0000010	0.0000010
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity(PPP) (Total waste generated/Revenue from operations)	0.0000230	0.0000232
Waste intensity in terms of Physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, reusing or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	21049.73	19885.69
(ii) Reused	0	0
(iii) Other recovery operations	0	0
Total	21049.73	19885.69
For each category of waste generated, total waste recovered through recycling, reusing or other recovery operations (in metric tonnes)		
Category of waste		
(i) Incineration	0.005	0.01
(ii) Landfilling	0	0
(iii) Other disposal operations	1809.51	1711.64
Total	1809.51	1711.65

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No independent assessment/evaluation/assurance has been carried out by any external agencies.

10. Briefly describe the waste Management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

- LGB has adopted 3R principle (Reduce, Reuse and Recycle) to effectively manage and reduce its waste generation.
- Adequate training is provided to all employees for identifying and disposal of Bio-degradable, E-waste, Plastic, Non-biodegradable and hazardous waste.
- Colour code waste collection bin system in place.
- All waste is segregated safety and stored in the dedicated storage premises without spillage. The waste is disposed to authorised waste handler for recycling and co processing. The quantity of waste generated and disposed of is monitored and record are maintained. This data is reviewed periodically, and waste reduction activities initiated are monitored.

11. If the entity has operations / offices in / around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones) where environmental approvals are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
None of L. G. Balakrishnan & Bros Ltd manufacturing facility nor offices are in or around ecologically sensitive zone.			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable since EIA not attracted for our Industry categorization.					

13. Is the entity compliant with the applicable environmental law / regulations / guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y / N). If not, provide details of all such non-compliances in the following format

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
LGB adheres to all applicable environmental laws and regulations and no case of non-compliance was registered during the reporting period.				

LEADERSHIP INDICATORS

1. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area Not Applicable
- (ii) Nature of operations Not Applicable
- (iii) Water withdrawal, consumption and discharge in the following format: Not Applicable

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source(in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third-party water	NA	NA
(iv) Seawater / desalinated water	NA	NA

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
(v) Others (rainwater)	NA	NA
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	NA	NA
Total volume of water consumption(in kilolitres)	NA	NA
Water intensity per rupee of turnover (Water consumed in litres / turnover)	NA	NA
Water intensity (optional) - the relevant metric may be selected by the entity	NA	NA
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(ii) Into Groundwater		
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(iii) Into Seawater		
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(iv) Sent to third-parties		
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(v) Others		
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	NA	NA
Note: Indicate if any independent assessment / evaluation /assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency. No independent assessment/evaluation/assurance has been carried out by any external agencies.		

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	7201.96	6977.32
Total Scope 3 emissions per rupee of turnover	tCO ₂ eq / Rs	0.0000003	0.0000003
Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/evaluation/assurance has been carried out by any external agencies.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable, as none of the company's facility is in ecologically sensitive areas.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives?

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary) Outcome of the initiative	Outcome of the initiative
1.	Recycling treated effluent	Recycling of treated process effluent from ETP through followed by Ultra Filtration (UF) & Reverse Osmosis.	Water Conservation
2.	Water Conservation	Reduction of raw water consumption in canteen through process improvements.	Reduction in freshwater withdrawal and increased of recycled water in the plant operation.
3.	Recovery/ Reclamation	Reclamation of coolant oil through oil filtration process.	Oil waste reduction.
4.	Waste Management	Non-recycle wases are diverted to co-processing in cement kilns. Recycle wastes like, Steel, E-Waste, Packing material and plastic are sold for recycling.	In total 1809.51 MT of non-recyclable waste were diverted from landfill and sent to co-processing units. In total 21049.73 MT of waste like cardboard and plastic were sold to PCB Authorised Rcycler.
5.	Renewable energy	Offsite wind captive generation	Reduction of climate change by having 14.73 % of energy through renewable power. Though this we have reduced around 13.68 MT of CO ₂ Eq. in the current year.

5. Does the entity have a business continuity and disaster Management plan? Give details in 100 words/web link.

LGB has an emergency procedure integrated into its Management system for dealing with emergency situations, minimizing hazard to environment and human health. A list of potential emergency situations has been identified and the roles and responsibilities of all concerned personnel are also defined to handle the emergencies effectively. The safety officer is responsible for mock drills which are conducted at 6 months intervals whereas fire drills are conducted at 2 months intervals or as per plan to evaluate emergency preparedness. Training and awareness sessions are conducted for the employees and emergency handling teams to prepare them for actual emergency situations.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Nil.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

We are, at present, looking into formulating a supply chain program to assess social and environmental practices of our supplier. Our supplier audit questionnaire comprises of Health, Safety and Environmental section, wherein requirements pertaining to environmental Management systems are also being verified.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers/ associations.

LGB has affiliations with 10 trade and industry associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No	Name of the trade and industry chambers / associations	Reach of trade and industry chambers / associations (State / National)
1.	Confederation of Indian Industry	National
2.	Federation of Indian Chamber of Commerce and Industry.	National
3.	Federation of Indian Export Organisation	National
4.	Indian Chamber of Commerce and Industry	National
5.	Indian Machine Tools Manufactures Association	National
6.	Indian Wind power Associations	State
7.	International Auto Manufacture Federation	National
8.	Indo America Chamber of Commerce	National
9.	Indo German Chamber of Commerce	National
10.	Indo Srilanka Chamber of Commerce	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities

Name of authority	Brief of the case	Corrective action taken
Not applicable as there were no issues related to anti-competitive conduct by LGB or adverse orders from regulatory authorities		

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity:

Sr. No.	Public Policy advocated	Method restored for such advocacy	Whether information in public Domain (Yes / No)	Frequency of review by Board (Annually / Half yearly / Quarterly /Others-Please Specify)	Web Link if available
	NIL	NIL	NIL	NIL	NA

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief detail of the project	SIA Notification- Number	Date of Notification	Whether conducted by Independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant weblink
None of the projects undertaken by the Company in FY 2023-24 required Social Impact Assessments (SIA).					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sr. No	Name of the project fo which R&R is going	State	District	No. of Projects Affected families (PAFs)	% of PA Fs covered by R&R	Amount paid to PA Fs in the FY (in INR)
Not applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

Our communities are integral to our growth and thus there are forums and mediums to receive their feedback. The Company has regular interactions with community members to discuss the aspirations and concerns of the local communities, not just relating to the impact of the Company's operations but also related to their overall well-being. Initiatives are then designed to address these aspirations and concerns as a part of our social commitment. Committee consisting of members from various departments viz. administration, CSR, operations etc. is formed which receives the concerns (if any, and in written/verbal) and works towards its redressal.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-2024 Current Financial Year	FY 2022-2023 Previous Financial Year
Directly sourced from MSMEs / small producers	10 %	10 %
Directly from within India	10 %	10 %

5. Job Creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost

	FY 2023-2024 Current Financial Year	FY 2022-2023 Previous Financial Year
Rural	35.00%	30.00%
Semi-Urban	40.00%	35.00%
Urban	15.00%	25.00%
Metropolitan	10.00%	10.00%

(Place to be categorized as per RBI classification System - rural/semi-urban/urban/metropolitan).

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.

S. No.	State	Aspirational District	Amount spent (In INR lakhs)
1	Tamilnadu	Multiple District	184.86
2	Puducherry	Puducherry	0.67
3	Maharashtra	Jalna	6.48
4	Meghalaya	Meghalaya	5.00

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? : No

(b) From which marginalized /vulnerable groups do you procure? : Not Applicable

(c) What percentage of total procurement (by value) does it constitute? : Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sr. No.	Intellectual Property based upon traditional knowledge	Owned/ Acquired (Yes / No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR project	No. of persons benefitted from CSR projects (1)	% of beneficiaries from vulnerable and marginalized groups (2)
1.	Promoting Education	695	100%
	Preventive Health Care	42	
	Rural Development	Public at large	

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

LGB has well established customer complaint handling standard operating procedures. Given the B2B focus, all customer complaints & feedback are initially received by the sales teams. Depending on the nature of the complaints/feedback, they are escalated to the relevant functional teams. The Company strives to resolve customer complaints within the time bound manner as per the defined technical and quality procedures.

All complaints are recorded and proactive efforts are made to ensure any issues identified as part of the customer complaints/ feedback are addressed to avoid similar issues arising in the future.

2. Turnover of products / services as a percentage of turnover from all products / services that carry information about Environmental and social parameters relevant to the product, Safe and responsible usage, Recycling and / or safe disposal.

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY23-24 (Current Financial Year)		Remarks	FY22-23 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cybersecurity	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of essential services	Nil	Nil	Nil	Nil	Nil	Nil
Restrictive Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Other	Nil	Nil	Nil	Nil	Nil	Nil

4. Details of instances of product recalls on account of safety issues

	Number	Reasons for recall
Voluntary recalls	0	NIL
Forced recalls	0	NIL

5. Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes / No) If yes, provide web-link of the policy.

Yes, the Company has an Information Security Policy in place which ensures that all employees within the organisation's domain abide by the provisions of the policy regarding the security of data stored digitally within its boundaries. It is also the commitment of the organisation to ensure information is kept confidential and secured. The policy is available on the Company's intranet.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers, re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services

Not applicable.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches - Nil
- b. Percentage of data breached involving personally identifiable information of customers - NA
- c. Impact, if any, of the data breaches - Nil

LEADERSHIP INDICATORS

1.	Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).	LGB website having all the information related to the products and business and can be accessed at https://www.lgb.co.in/products/
2.	Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.	All specifications on safe and responsible usage of our products is made available in the packaging or information label attached to each products. Since the products of the Company are directly supplied to the OEMs the Company has limited scope for informing and educating the end user about the safe and responsible usage of its products.
3.	Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.	Not applicable
4.	Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)	The Company displays all relevant information on the product, as required under Legal Metrology Act, 2011

INSPECTION AT KOTTAIPALAYAM



INDEPENDENT AUDITOR’S REPORT

TO THE MEMBERS OF L.G.BALAKRISHNAN & BROS LIMITED

Report on the Standalone Ind AS Financial Statements:

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of L.G.BALAKRISHNAN & BROS LIMITED, Coimbatore (“the Company”), which comprises the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows, notes to the financial statements, the Statement of Changes in Equity for the year then ended, and a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act 2013 (“Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone IND AS financial statements in accordance with the Standards on Auditing specified u/s 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the Audit of the Standalone Financial Statements 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 statements 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 ICAI’s Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on Standalone Ind AS Financial Statements.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our audit report.

S.No	Key Audit Matters	Auditor’s Response
1	Acquisition of M/s. RSAL Steel Private Limited through Corporate Insolvency and Resolution Process - The Hon’ble National Company Law Tribunal (“NCLT”) vide its order dated 09.01.2024 has approved the Resolution Plan and the takeover of M/s. RSAL Steel Private Limited was completed during the year. Pursuant to the order, the company paid ₹ 3636.77 lakhs to the M/s. RSAL Steel Private Limited had become a wholly owned subsidiary of the company. In our opinion, we have considered the matter to be a Key Audit Matter as the value of investment in the subsidiary is significant.	<p>We have verified the order dt. 09.01.2024 issued by Hon’ble NCLT and the resolution plan submitted by the company. We have also verified the amount invested by the company and ensured its compliance with the Hon’ble NCLT order.</p> <p>We performed substantive testing of the acquisition of the shares in M/s. RSAL Steel Private Limited including the apportionment of the consideration paid by the company.</p> <p>We have reviewed the disclosures made by the company in this regard in the Financial statements for its compliance with Ind AS and Schedule-III of the Act.</p>
2	Allotment of share warrants to the promoters on preferential basis - The Company had issued 5,00,000 share warrants to its promoters on preferential basis at a price of ₹ 1292 per share. The Promoters had paid 25% of the warrant issue price at the time of subscription amounting to ₹ 1615 lakhs and the balance 75% will be paid at the time of exercising the rights. In our opinion, we have considered the matter to be a Key Audit Matter as the value of transaction is significant and involves related parties.	<p>We have verified the Offer Letter, special resolution passed at the Extra Ordinary General Meeting (EGM) dt. 03.02.2024, the minutes of the EGM and the scrutiniser report.</p> <p>We have verified the compliance of the provisions of the Companies Act 2013 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018 with respect to the allotment of warrants, fixation of the price and the statutory procedures to be followed before and after the approval of the warrants at the EGM.</p> <p>We have performed substantive audit procedures on the allotment of warrants and receipt of funds from the promoters at the time of application.</p> <p>We have reviewed the disclosures made by the company in this regard in the Financial statements for its compliance with Ind AS and Schedule-III of the Act.</p>

Information other than the standalone Financial Statements and the auditor’s report thereon

The Company’s Board of directors are responsible for the preparation of other information. The other information comprises the information included in the management discussion and analysis, Board’s Report including annexures to Board’s Report, Business responsibility report, Corporate Governance and Shareholder’s information, but does not include the standalone Ind AS financial statements and our auditor’s report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Ind AS Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act 2013, read with relevant rules issued there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, management is 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 Ind AS Financial Statements:

Our objectives are to obtain reasonable assurance about whether the standalone financial statements 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 statements.

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 statements, 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management'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 standalone financial statements 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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and event in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the company to express an opinion on the Standalone Financial Statements

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements 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 statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements:

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we enclose in "Annexure A", a statement on the matters specified in Paragraphs 3 and 4 of the Order.

As required by Section 143 (3) of the Act, based on our audit, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of accounts.

- d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors as on 31st March 2024 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls with reference to Standalone Financial Statements.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements - Refer Note No. 30 to the Standalone Financial Statements
- ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv.
- (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v.

- (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- (b) As stated in Note No. 11(iv)(b) to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act to the extent it applies to proposal of dividend.
- vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

Place: Coimbatore
Date: 29.04.2024

For **SURI & CO.**
Chartered Accountants
Firm Registration No.: 0042835
M. SIVARAM
Partner
Membership No.: 211916
UDIN: 24211916BKATDL7357

‘Annexure -A’ to the Independent Auditor’s Report to the Members of L.G.BALAKRISHNAN & BROS LIMITED

In terms of the information and explanation sought by us and given by the Company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report the following:

- i. (a)
 - (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Right of use assets, Investment Property and Capital Work in progress.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Property, Plant and Equipment were physically verified during the year by the management at reasonable intervals in a phased manner and no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us, and the books and records verified by us and based on the examination of the registered sale deeds/transfer deed/conveyance deed/scheme of arrangements approved by Hon’ble High Courts & appropriate authorities and property tax receipts provided to us, we report that, the title deeds of immovable properties of Land and Buildings (other than the properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee), are held in the name of the Company as at Balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

- ii.
 - (a) According to information and explanations furnished to us, the inventories have been physically verified by the management at reasonable intervals. In our opinion, the frequency of such verification is reasonable and the coverage and procedure for such verification is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification when compared with books of account.
 - (b) The Company has been sanctioned working capital in excess of ₹ 5 Crores in aggregate from banks on the basis of security of current assets during the year. According to information and explanations furnished to us, the quarterly statements filed by the Company with banks are in agreement with the books of accounts of the Company.

iii. The Company has made investments in Companies and has granted unsecured loan during the year in respect of which:

- (a)
 - (A) The Company during the year had provided unsecured loan to its wholly owned subsidiary, the details of which is as follows:

Particulars	Loans (Rs. in Lakhs)
Aggregate amount granted/ provided during the year	
-Subsidiary - RSAL Steel Private Limited	500
Balance outstanding as at balance sheet date in respect of above cases	
-Subsidiary - RSAL Steel Private Limited	500

The company has not provided any guarantee or security to its subsidiaries during the year.

(B) The Company has not provided any loans or advances in the nature of loan or stood guarantee or provided security to parties other than its subsidiary, joint venture or associate during the year. Hence reporting under clause 3(iii)(a)(B) of the Order is not applicable.

- (b) In our opinion, the investments made and the terms and conditions of the grant of unsecured loans, during the year are, prima facie, not prejudicial to the Company’s interest.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally regular as per stipulation.
- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The company has granted unsecured loans repayable on demand during the year. The details of which is as follows:

(₹ In Lakhs)

Particulars	All parties	Promoters	Related Parties
Aggregate amount of loans/advances in nature of loans			
- Repayable on demand (A)	500	-	500
- Agreement does not specify any terms or period of repayment (B)			
TOTAL (A+B)	500	-	500
Percentage of loans/ advances in nature of loans to the total loans	100%		100%

The Company has not made investments in Firms, Limited Liability Partnerships or any other party during the year. Further the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other parties during the year.

- iv. The Company has not granted loans or provided any guarantees or securities to parties covered under section 185 of the Act. The Company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of loans granted and investments made. The company during the year has not provided any guarantee or security.
- v. According to the explanation and information provided to us, the Company has complied with the provisions of Sections 73 to 76 and any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. We have been informed that no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any court or any other Tribunal in this regard.
- vi. The maintenance of cost records has been specified by the Central Government u/s 148(1) of the Companies Act, 2013 for automotive components. We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section 1 of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- vii.
- (a) The Company is regular in depositing undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities and there are no undisputed statutory dues outstanding for a period of more than six months from the date they became payable as at the balance sheet date.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Name of the Statute	Nature of Due	Amount Disputed (` In Lakhs)	Amount Unpaid (` In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act	Excise Duty - Transfer of Division	100.00	92.50	2009-10	CESTAT Chennai
Central Excise Act	Excess Credit availed	62.72	13.68	2016-17	CESTAT, New Delhi.
Entry Tax	Entry Tax	408.36	408.36	2007-08	Hon'ble High Court of Madras (stayed by the High Court)
Goods & Services Tax	Excess Claim of Input tax credit	46.97	42.27	2017-18 & 2018-19	Commissioner Appeals, GST (Jharkhand)
Income Tax Act	Excess claim u/s 80IC	213.02	213.02	AY 2010-11	Commissioner of Income Tax (Appeals)
Income Tax Act	Excess claim u/s 80IC	214.23	214.23	AY 2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act	Excess claim u/s 80IC	150.99	150.99	AY 2013-14	Commissioner of Income Tax (Appeals)
Income Tax Act	Excess claim u/s 80IC, 14A & 37	428.39	428.39	AY 2014-15	Commissioner of Income Tax (Appeals)
Income Tax Act	Disallowance claim u/s 14 A	12.92	12.92	AY 2017-18	Commissioner (Appeals)
Income Tax Act	Disallowance claim u/s 14 A	16.29	16.29	AY 2020-21	Commissioner (Appeals)
Income Tax Act	Addition u/s. 69C	2168.17	2168.17	AY 2021-22	Hon'ble High Court of Madras (stayed by the High Court as on the date of this report)

- viii. According to the information and explanation provided to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. In our Opinion and according to the information and explanation provided to us,
- (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

- x.
- (a) The Company has not raised any money by way of initial public offer or further public offer during the year and hence reporting under this clause is not applicable.
- (b) The Company has made preferential allotment of shares warrants to its Promoter and Promoter Group in compliance with Section 42 and Section 62 of the Act. The funds raised through the preferential allotment of share warrants which remains unutilized as on the balance sheet date and held in a separate bank account.
- xi. In our opinion and according to the information and explanation provided to us,
- (a) No frauds by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) No whistle blower complaints has been received by the Company during the year (and upto the date of this report).
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of Paragraph 3 of the order is not applicable.
- xiii. In our opinion based on the information and explanation given to us, all transactions with the related parties are in compliance with section 177 and 188 of the Act and the details thereof have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards and the Act.
- xiv.
- (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. The Company has not entered into any non-cash transactions with directors or persons connected with him and hence reporting under clause (xv) of Paragraph 3 of the Order is not applicable.
- xvi.
- (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx.

- (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects at the end of the previous financial year and at the end of the current financial year requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) In respect of ongoing projects, the Company has transferred the unspent Corporate Social Responsibility (CSR) amount as at the end of the current financial year out of the amounts that was required to be spent during the year, to a Special Account in compliance with the provision of sub-section (6) of section 135 of the said Act.

Place: Coimbatore
Date: 29.04.2024

For **SURI & CO.**
Chartered Accountants
Firm Registration No.: 0042835
M. SIVARAM
Partner
Membership No.: 211916
UDIN: 24211916BKATDL7357

**“Annexure - B” to the Independent Auditor’s Report to the Members of L.G.BALAKRISHNAN & BROS LIMITED
Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013:**

We have audited the internal financial controls with reference to financial statements of L.G.BALAKRISHNAN & BROS LIMITED (“the Company”), as of 31 March 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for the Internal Financial Controls:

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility:

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements:

A Company’s internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial controls with reference to financial statements includes those policies and procedures that:-

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts

and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the Standalone Ind AS Financial Statements.

Inherent Limitations of Internal Financial controls with reference to Financial Statement:

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion:

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SURI & CO.**
Chartered Accountants
Firm Registration No.: 004283S
M. SIVARAM
Partner
Membership No.: 211916
UDIN: 24211916BKATDL7357

Place: Coimbatore
Date: 29.04.2024

BALANCE SHEET AS AT 31.03.2024

₹ in Lakhs

Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
A ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipments	1	49,090.16	43,414.62
(b) Capital work-in-progress	1	3,248.53	2,788.13
(c) Investment Property	1	49.18	50.90
(d) Right of use Asset	1	1,347.01	829.42
(e) Other Intangible assets	1	144.94	134.30
(f) Financial assets			
(i) Investments	2	24,518.85	16,624.25
(ii) Other financial assets	3	30,832.45	14,348.83
(g) Other non-current assets	4	2,073.58	1,474.18
Total Non-Current Asset		1,11,304.70	79,664.63
2 Current assets			
(a) Inventories	5	36,394.07	37,707.16
(b) Financial assets			
(i) Trade receivables	6	27,984.63	25,345.31
(ii) Cash and cash equivalents	7A	1,009.84	1,251.15
(iii) Bank balances other than (ii) above	7B	34,299.43	33,387.59
(iv) Loans	8	500.00	-
(v) Other financial assets	9	2,475.53	1,132.85
(c) Other current assets	10	3,218.90	2,251.47
Total Current Assets		1,05,882.40	1,01,075.53
3 Asset held for Sale	1	-	814.37
Total Assets		2,17,187.10	1,81,554.53
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	11	3,139.24	3,139.24
(b) Other Equity	12	1,58,666.24	1,31,286.94
Total Equity		1,61,805.48	1,34,426.18

BALANCE SHEET AS AT 31.03.2024 (CONTD..)

₹ in Lakhs

Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
2 Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	897.71	685.38
(ia) Lease Liabilities		1,106.26	641.05
(b) Provisions	14	1,516.24	1,491.76
(c) Deferred tax liabilities (net)		1,948.46	1,683.53
Total Non Current Liabilities		5,468.67	4,501.72
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	7,611.48	7,593.57
(ia) Lease Liabilities		424.53	393.27
(ii) Trade payables			
- total out anding dues of micro & small enterprises	16	1,451.38	2,182.66
- total outstanding dues other than micro & small enterprises	16	22,296.77	16,652.13
(iii) Other financial liabilities	17	15,219.83	13,226.10
(b) Other current liabilities	18	2,809.25	2,449.14
(c) Provision	19	41.93	40.45
(d) Current tax Liabilities(Net)		57.78	89.31
Total Current Liabilities		49,912.95	42,626.63
Total Equity & Liabilities		2,17,187.10	1,81,554.53

See accompanying notes forming part of the Financial Statements

As per our report of even date attached
For **SURI & CO.**

Chartered Accountants
Firm Registration No.: 0042835
M. SIVARAM
Partner
Membership No.211916

Place : Coimbatore
Date : 29.04.2024

For and on behalf of the Board of Directors

B. VIJAYAKUMAR
Executive Chairman
DIN: 00015583
N. RENGARAJ
Chief Financial Officer

P. PRABAKARAN
Managing Director
DIN : 01709564
M. LAKSHMI KANTH JOSHI
Senior General Manager
(Legal) and
Company Secretary
ACS NO. A14273

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2024

₹ in Lakhs

Particulars	Note No.	For the year ended 31.03.2024	For the year ended 31.03.2023
REVENUE			
1 Revenue from operations(net)	20	2,23,104.29	2,08,565.31
2 Other income	21	4,911.55	2,591.63
3 Total Income (1 + 2)		2,28,015.84	2,11,156.94
4 Expenses:			
(a) Cost of materials consumed	22 a	99,516.04	95,672.01
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	22 b	1,419.09	213.46
(c) Employee benefits expense	23	33,170.28	29,522.64
(d) Finance costs	24	719.04	602.60
(e) Depreciation and amortisation expense		7,270.34	7,355.42
(f) Other expenses	25	50,344.49	46,273.68
Total Expenses		1,92,439.28	1,79,639.81
5 Profit / (Loss) before exceptional items and tax (3-4)		35,576.56	31,517.13
6 Exceptional items		680.67	2,029.48
7 Profit / (Loss) before tax for the period(5+6)		36,257.23	33,546.61
8 Tax expense / (benefit):			
(a) Current tax expense	26	9,566.53	8,684.91
(b) Deferred tax	27	(259.63)	92.12
Net tax expense		9,306.90	8,777.03
9 Profit / (Loss) for the period (7 - 8)		26,950.33	24,769.58
10 Other Comprehensive Income (Net of taxes)			
(A) (i) Items that will not be reclassified to Profit or Loss Account			
(1) Re-measurement of defined benefit plans		162.81	(140.91)
(2) Equity instruments through Other Comprehensive Income		4,198.52	3,183.70
(ii) Income-tax relating to Items that will not be reclassified to Profit and Loss Account		(524.56)	(259.79)
(B) Items that will be reclassified to Profit or Loss Account		-	-
11 Total Comprehensive income for the year (9+10)		30,787.10	27,552.58
12 Earnings per share (Face value of ₹ 10/- each)			
(a) Basic		85.85	78.90
(b) Diluted		85.85	78.90

See accompanying notes forming part of the Financial Statements

As per our report of even date attached
For **SURI & CO.**

Chartered Accountants
Firm Registration No.: 0042835
M. SIVARAM
Partner
Membership No.211916

Place : Coimbatore
Date : 29.04.2024

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DIN : 01709564
M. LAKSHMI KANTH JOSHI
Senior General Manager
(Legal) and
Company Secretary
ACS NO. A14273

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31.03.2024

₹ in Lakhs

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
A Cash flow from operating activities		
Net Profit before Tax	36,257.23	33,546.61
Adjustments for:		
Depreciation	7,270.34	7,355.42
Provision for Doubtful Debts	(125.70)	184.82
Profit/Loss on sale of assets	304.20	(221.05)
Assets condemned/Written off	29.67	28.16
Interest and Finance Charges	719.04	602.60
Interest Income	(4,275.50)	(2,081.92)
Dividend Income	(49.84)	(29.16)
Net unrealised exchange differences	(91.16)	(160.76)
	3,781.05	5,678.11
Operating profit before working capital changes	40,038.28	39,224.72
Changes in Working Capital		
Provisions - Non Current	187.28	(87.11)
Other Financial Assets - Non Current	(120.10)	27.52
Other Non Current Assets	(599.41)	(152.74)
Inventories	1,313.10	3,646.49
Trade Receivables	(2,401.09)	2,305.30
Loans	(500.00)	-
Other Financial Assets - Current	(15.38)	(3.01)
Other Current Assets	(967.43)	970.31
Trade Payables	4,891.94	(6,088.35)
Other financial liabilities	1,972.68	(1,007.19)
Current Liabilities	360.12	(102.72)
Provisions - Current	1.48	9.03
	4,123.19	(482.47)
Cash generated from operations	44,161.47	38,742.25
Income tax paid, net of refunds received	(9,598.06)	(8,707.85)
Net Cash generated from operating activities (A)	34,563.41	30,034.40
B. Cash flow from Investing activities		
Capital expenditure	(13,112.29)	(7,717.74)
Investment in subsidiary	(3,636.77)	-
Investment in Others	(59.31)	
Proceeds from sale of fixed assets	563.43	529.64
Proceeds from sale of Investments	-	246.92
Bank Balances not considered as cash and cash equivalents	(17,275.35)	(23,371.67)
Dividend income	49.84	29.16
Interest Income	2,948.21	1,197.50
Net cash used in Investing activities (B)	(30,522.24)	(29,086.19)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31.03.2024

₹ in Lakhs

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
C. Cash flow from financing activities		
Interest and Finance Charges	(616.98)	(489.25)
Dividend Paid	(5,001.73)	(4,689.68)
Proceeds from Preferential share warrant	1,615.00	-
Lease Payments	(509.00)	(475.84)
Borrowings - Current and Non-current (Net)	230.23	(111.87)
Net cash used in financing activities (C)	(4,282.48)	(5,766.64)
Net (decrease)/increase in cash and cash equivalents (A) + (B) + (C)	(241.31)	(4,818.43)
Cash and Cash Equivalents at the beginning of the year	1,251.15	6,069.58
Cash and Cash Equivalents at the end of the year	1,009.84	1,251.15

See accompanying notes forming part of the Financial Statements

As per our report of even date attached

 For **SURI & CO.**

Chartered Accountants

Firm Registration No. : 0042835

M. SIVARAM

Partner

Membership No.211916

Place : Coimbatore

Date : 29.04.2024

For and on behalf of the Board of Directors

B. VIJAYAKUMAR

Executive Chairman

DIN: 00015583

N. RENGARAJ

Chief Financial Officer

P. PRABAKARAN

Managing Director

DIN : 01709564

M. LAKSHMI KANTH JOSHI

Senior General Manager

(Legal) and Company

Secretary

ACS NO. A14273

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
Balance as at the beginning of the year	3,139.24	3,139.24
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the year	3,139.24	3,139.24
Changes in equity share capital during the year	-	-
Balance as at end of the year	3,139.24	3,139.24

B. Other Equity

(₹ in Lakhs)

For the Year ended 31 March, 2024

Particulars	Reserves & Surplus			Other Comprehensive Income Equity Instruments at Fair Value through OCI	Money received against Share Warrants*	Total
	Securities Premium Reserve	General Reserve	Retained Earnings			
Balance as at 01.04.2023	1,530.99	1,10,000.00	10,851.47	8,904.48	-	1,31,286.94
Changes in accounting policies and prior period errors	-	-	-	-	-	-
Restated Balance as at 01.04.2023	1,530.99	1,10,000.00	10,851.47	8,904.48	-	1,31,286.94
Profit for the year	-	-	26,950.33	-	-	26,950.33
Other Comprehensive Income / (losses)	-	-	121.82	3,714.94	-	3,836.76
Dividends	-	-	(5,022.79)	-	-	(5,022.79)
Money received against Share warrant	-	-	-	-	1,615.00	1,615.00
Transfer to Reserves	-	20,000.00	(20,000.00)	-	-	-
Balance as at 31.03.2024	1,530.99	1,30,000.00	12,900.83	12,619.42	1,615.00	1,58,666.24

* Refer Note 11 (vii) to the Standalone Financial Statements.

For the Year ended 31 March, 2023

(₹ in Lakhs)

Particulars	Reserves & Surplus			Other Comprehensive Income Equity Instruments at Fair Value through OCI	Money received against Share Warrants*	Total
	Securities Premium Reserve	General Reserve	Retained Earnings			
Balance as at 01.04.2022	1,530.99	90,000.00	10,722.99	6,189.24	-	1,08,443.22
Changes in accounting policies and prior period errors	-	-	-	-	-	-
Restated Balance as at 01.04.2022	1,530.99	90,000.00	10,722.99	6,189.24	-	1,08,443.22
Profit for the year	-	-	24,769.58	-	-	24,769.58
Other Comprehensive Income / (losses)	-	-	(105.45)	2,888.45	-	2,783.00
Dividends	-	-	(4,708.86)	-	-	(4,708.86)
Gain on Sale of Shares transferred to Surplus	-	-	173.21	(173.21)	-	-
Transfer to Reserves	-	20,000.00	(20,000.00)	-	-	-
Balance as at 31.03.2023	1,530.99	1,10,000.00	10,851.47	8,904.48	-	1,31,286.94

* Refer Note 11 (vii) to the Standalone Financial Statements.

See accompanying notes forming part of the Financial Statements

As per our report of even date attached

For **SURI & CO.**

Chartered Accountants

Firm Registration No.: 0042835

M. SIVARAM

Partner

Membership No.211916

Place : Coimbatore

Date : 29.04.2024

For and on behalf of the Board of Directors

B. VIJAYAKUMAR

Executive Chairman

DIN: 00015583

N. RENGARAJ

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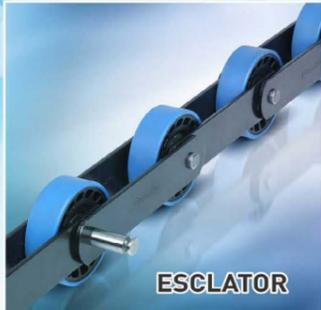


NAGPUR INDUSTRIAL CHAIN PLANT

INDUSTRIAL ROLLER CHAINS



DR3119



ESCLATOR



LL0822



LL0888



R50H



R1278V



R1595 HP



R5031



RC0001



RS29H



RS65



RS214



RS225



RS226

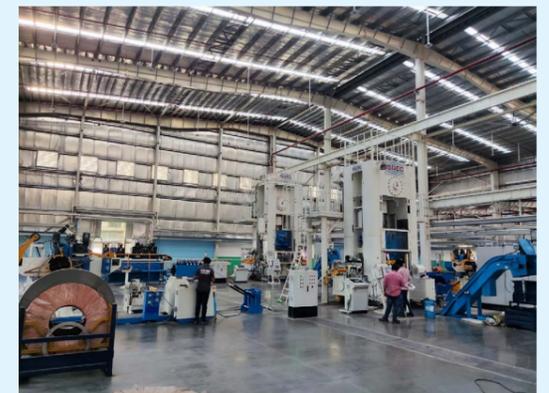


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SUPERIOR QUALITY



NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

1 CORPORATE INFORMATION

L.G.Balakrishnan & Bros Limited (CIN - L29191TZ1956PLC000257) was found in 1937 as a transport Company and has evolved today as a major manufacturer of chains, sprockets and metal formed parts for automotive applications. Its business segments include transmission and metal forming. Its transmission products include chains, sprockets, tensioners, belts and brake shoe. It also offers metal forming products consisting of fine blanking for precision sheet metal parts, machined components and wire drawing products for internal use as well as for other chain manufacturing plants, spring steel suppliers and umbrella manufacturers. The Company's products are marketed under the "Rolon" brand. LGB has manufacturing units spread across Tamil Nadu, Pondicherry, Maharashtra, Uttarakhand, Karnataka, Haryana and Rajasthan.

2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Basis of preparation and presentation

These Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non current classification.

(a) An asset is treated as Current when it is -

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

(b) A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

There were no significant events that occurred after the Balance Sheet date apart from the ones mentioned in "Material Changes and commitments affecting the financial position between the end of the fiscal and date of the report" in the Board's report.

The Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- a) Derivative financial instruments
- b) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

Use of estimates

The preparation of Financial Statements in conformity with Generally Accepted Accounting Principles (GAAP) requires Management to make judgments, estimates and assumptions that affect

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the Financial Statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Functional and presentation currency

These Financial Statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest Lakhs (up to two decimals).

The Financial Statements are approved for issue by the Company's Board of Directors on 29th April, 2024.

2A PROPERTY, PLANT AND EQUIPMENT (PPE), INTANGIBLE ASSETS AND INVESTMENT PROPERTIES

The residual values and estimated useful life of PPEs, Intangible Assets and Investment Properties are assessed by the technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement and maintenance support. Upon review, the Management accepts the assigned useful life and residual value for computation of depreciation/ amortisation. Also, Management judgement is exercised for classifying the asset as investment properties or vice versa.

Current tax

Calculations of income taxes for the current period are done based on applicable tax laws and Management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

Fair value

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the

valuation techniques, Management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, Management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Impairment of Trade Receivables

The impairment for trade receivables are done based on assumptions about risk of default and expected loss rates. The assumptions, selection of inputs for calculation of impairment are based on Management judgement considering the past history, market conditions and forward looking estimates at the end of each reporting date.

Impairment of Non-financial assets (PPE/ Intangible Assets/ Investment Properties)

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on Management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

Defined Benefit Plans and Other long term employee benefits

The cost of the defined benefit plan and other long term employee benefits, and the present value of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long term nature, this obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Provisions and contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore vary from the figure estimated at end of each reporting period.

3 SIGNIFICANT ACCOUNTING POLICIES

Sale of goods

Revenue from sale of goods is recognised when control of the goods is transferred to the Customers. Revenue towards satisfaction of performance obligation is measured by the amount of transaction price [net of variable consideration] allocated to that performance obligation. The transaction price of goods sold, and services rendered is net of variable consideration of account of various discount and schemes offered by the Company as a part of Contract. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped based on the INCO terms.

Income from Service

Income from sale of services is recognised when the services are rendered as per the terms of the agreement and when no significant uncertainty as to its determination or realisation exists.

Interest Income

Interest income is recognised on time proportion basis taking into account the amount outstanding and the effective interest rate (EIR) method.

Dividend income

Dividend income is recognized when the Company's right to receive dividend is established on the reporting date, which is generally when shareholders approve the dividend.

Rental income

Rental income from operating lease on investment properties is recognised on a straight line basis over the term of the relevant lease, if the escalation is not a compensation for increase in cost inflation index.

RODTEP and other export incentives

The products of the Company are eligible for various export incentives from the Government of India. Such incentives are recognised as other operating revenue when there is a reasonable assurance that the Company will comply with all the necessary conditions attached to that.

b) Property, plant and equipment and capital work in progress

Property, plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The actual cost capitalised includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction / installation stage. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs of a qualifying asset, if the recognition criteria are met.

Advances paid towards the acquisition of tangible assets outstanding at each balance sheet date, are disclosed as capital advances under other non-current assets and the cost of the tangible assets not ready for their intended use before such date, are disclosed as capital work in progress.

All material/ significant components have been identified and have been accounted separately. The useful life of such component are analysed independently and wherever components are having different useful life other than plant, the useful life of components are considered for calculation of depreciation.

Gains or losses arising from derecognition of property, plant and equipment are measured

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

c) Depreciation on property, plant and equipment

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value.

Depreciation is provided on written down value method on buildings, furniture and fixtures, computers and on straight line method on other assets over the useful lives specified in Schedule II to the Companies Act, 2013 except for the following items, where useful life is estimated on technical assessment, past trends and differ from those provided in Schedule II of the Companies Act, 2013.

Assets Category	Estimated useful life (in years)
Tools and dies	5
Leasehold land	Over the lease period
Windmill	25

Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion/ disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded/ sold. Additions to fixed assets, costing ` 5000 each or less are fully depreciated retaining its residual value.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each Financial Year end and adjusted prospectively, if appropriate

d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of a separately acquired intangible asset comprises (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and (b) any directly attributable cost

of preparing the asset for its intended use.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

e) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes).

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 40 - Investment Property requirements for cost model.

Company depreciates investment property as per the useful life prescribed in Schedule II of the Companies Act, 2013.

Though the Company measures investment property using the cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation applying a valuation model.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

f) Inventories

Inventories are valued at lower of cost and net realizable value. Cost includes all direct costs and applicable production overheads, to bring the goods to the present location and condition.

- i) Costs of raw materials, packing materials, tools and dies and Store & Spare Parts are computed on weighted average basis.
- ii) Costs of finished goods and semi-finished goods are computed on weighted average basis.
- iii) Agriculture Produce is valued at estimate realizable value.
- iv) Cost of stock held for trading are computed on weighted average basis.

g) Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value. However, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are also added to the cost of the financial asset. Trade Receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified on the basis of their contractual cash flow characteristics and the entity's business model of managing them.

Financial assets are classified into the following categories:

- Financial Assets at amortised cost
- Financial Assets at fair value through other comprehensive income (FVTOCI)

- Financial Assets, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial Assets at amortised cost

The Company classifies a Financial Asset as at amortised cost, if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the Statement of Profit or Loss.

Financial Assets at FVTOCI

The Company classifies a Financial Asset at FVTOCI, if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Financial Assets included within the FVTOCI category are measured as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes finance income, impairment losses and reversals and

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

foreign exchange gain or loss in the profit and loss statement. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI Financial Assets is reported as interest income using the EIR method.

Financial Assets at FVTPL

The Company classifies all Financial Assets, which do not meet the criteria for categorization as at amortized cost or as FVTOCI, as at FVTPL.

Financial Assets included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Investment in Subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in Subsidiaries, associates and joint venture at cost less impairment loss (if any).

All Other Equity investments

All other equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Where the Company makes an irrevocable election of classifying the equity instruments at FVTOCI, it recognises all subsequent changes in the fair value in OCI, without any recycling of the amounts from OCI to profit and loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Financial assets are measured at FVTPL except for those financial assets whose contractual terms give rise to cash flows on specified dates that represents SPPI, are measured as detailed below depending on the business model:

Classification	Name of the financial asset
Amortised cost	Trade receivables, deposits, interest receivable, unbilled revenue and other advances recoverable in cash.
FVTOCI	Equity investments in companies other than subsidiaries and associates if an option exercised at the time of initial recognition.
FVTPL	Other investments in equity instruments, mutual funds, forward exchange contracts (to the extent not designated as a hedging instrument).

Derecognition

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are measured at amortised cost e.g., loans, debt securities, deposits, receivables and bank balance.
- b) Financial assets that are measured at FVTOCI
- c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss (ECL) at each reporting date, right from its initial recognition.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL and as at amortised cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at fair value through profit or loss, are subsequently measured at higher of (i) The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 - Financial Instruments and (ii) The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115 - Revenue from Contracts with Customers.

Derivative financial instruments

The Company holds derivative financial instrument foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

(a) Derivatives fair valued through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that

is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets / liabilities in this category are presented as current assets / current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance Sheet date.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

h) Foreign currency transactions and translations

Transactions and balances

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. However, for practical reasons, the Company uses an average rate, if the average approximates the actual rate at the date of the transaction.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

The Company enters into forward exchange contract to hedge its risk associated with Foreign currency fluctuations. The premium or discount arising at the inception of a forward exchange contract is amortized as expense or income over the life of the contract. In case of monetary items which are covered by forward exchange contract, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference. Any profit or loss arising on cancellation of a forward exchange contract is recognized as income or expense for that year.

i) Borrowing Costs

Borrowing cost include interest computed using Effective Interest Rate method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction, production of a qualifying asset are capitalised as part of the cost of that asset which takes substantial

period of time to get ready for its intended use. The Company determines the amount of borrowing cost eligible for capitalisation by applying capitalisation rate to the expenditure incurred on such cost. The capitalisation rate is determined based on the weighted average rate of borrowing cost applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing cost that the Company capitalises during the period does not exceed the amount of borrowing cost incurred during that period. All other borrowings costs are expensed in the period in which they occur.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

j) Government grants

Government grants are recognised at fair value where there is a reasonable assurance that the grant will be received and all the attached conditions are complied with.

In case of revenue related grant, the income is recognised on a systematic basis over the period for which it is intended to compensate an expense and is disclosed under "Other operating revenue" or netted off against corresponding expenses wherever appropriate.

k) Taxes**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Where there is deferred tax assets arising from carry forward of unused tax losses and unused tax created, they are recognised to the extent of deferred tax liability.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

l) Retirement and other employee benefits**Short-term employee benefits**

A liability is recognised for short-term employee benefit in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

Other long term employee benefits

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by the employees up to the reporting date.

Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed

as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

m) Leases

The Company has adopted Ind AS 116 “ Leases” with effect from 1st April 2019. The Company has measured Right-to-use Asset and Lease Liability based on the remaining lease period and payments discounted using the incremental borrowing rate as at the date of initial application.

The Company’s lease asset classes primarily consist of leases for Land and Buildings. The Company assesses whether a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset (“ROU”) and corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straightline basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The re-measurement normally also adjusts the leased assets. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cashflows.

n) Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or cash-generating unit’s (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

o) Provisions, contingent liabilities and contingent asset**Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are discounted, if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Necessary provision for doubtful debts, claims, etc., are made, if realisation of money is doubtful in the judgement of the Management.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Contingent liabilities are disclosed separately.

Contingent assets

Where an inflow of economic benefits is probable, the Company discloses a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Contingent assets are disclosed but not recognised in the Financial Statements.

p) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid investments that are readily convertible into cash, which are subject to insignificant risk of changes in value.

q) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Bank borrowings are generally considered to be financing activities.

r) Earnings per share

The basic earnings per share are computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ In Lakh)

1 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Particulars	Property, plant and equipment										Intangible Assets		Total	Right of use Asset	Investment Property	Asset held for sale		
	Land		Building		Plant and Equipment		Furniture and Fittings		Vehicles	Office Equipment	Lab Equipments, Pipe Fittings, etc.	Total					Technical Know how	Computer Software
	Owned	Leased	Owned	Leased	Owned	Leased	Furniture and Fittings	Leased										
Gross Carrying Value as at March 31, 2022	6,418.66	1,563.14	13,823.29	7.39	50,484.13	389.05	300.32	2,526.54	653.55	258.01	1,989.75	78,413.83	299.87	281.45	581.32	1,614.97	1,116.97	123.21
Additions	1,095.00	-	372.89	-	4,265.47	-	48.66	164.32	78.21	29.17	200.58	6,254.30	-	99.39	99.39	353.87	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(938.42)	938.42
Disposals / Transfers	(223.50)	-	(6.18)	-	(400.82)	-	(2.95)	(14.17)	(7.66)	(8.90)	(91.18)	(785.36)	-	(145.52)	(145.52)	-	-	-
As at March 31, 2023	7,290.16	1,563.14	14,190.00	7.39	54,318.78	389.05	346.03	2,676.69	724.10	278.28	2,099.15	83,882.77	299.87	235.31	535.18	1,968.84	178.55	1,061.63
Additions	7.80	-	7,330.97	-	4,211.83	-	53.60	519.05	69.50	47.72	333.13	12,573.60	-	78.24	78.24	903.43	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals / Transfers	-	-	(2.83)	-	(367.71)	(6.98)	(15.93)	(11.42)	(12.53)	(13.60)	(34.86)	(469.81)	-	(0.37)	(0.37)	-	-	(1,061.63)
As at March 31, 2024	7,297.96	1,563.14	21,518.14	7.39	58,160.90	380.07	383.70	3,184.32	781.07	312.40	2,397.42	95,986.55	299.87	313.19	613.06	2,872.27	178.55	-
Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
as at March 31, 2022	93.38	4,043.36	5.38	5.38	26,810.45	381.30	176.54	990.06	231.90	140.36	1,220.54	34,093.27	260.98	224.75	485.73	774.92	153.48	114.66
Charge for the year	28.00	825.40	0.22	0.22	5,305.31	0.57	36.18	245.88	82.87	39.00	260.87	6,824.30	22.67	37.19	59.85	364.50	106.77	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(132.60)
Disposals / Transfers	-	-	(5.23)	-	(323.35)	-	(2.91)	(13.35)	(7.27)	(8.29)	(89.02)	(449.42)	-	(144.70)	(144.70)	-	-	-
As at March 31, 2023	121.38	4,863.53	5.60	5.60	31,792.41	381.87	209.81	1,222.59	307.50	171.07	1,392.39	40,468.15	283.65	117.24	400.88	1,139.42	127.65	247.26
Charge for the year	28.00	1,045.43	0.19	0.19	5,013.26	-	38.35	266.37	82.11	40.59	300.89	6,815.20	8.22	59.37	67.60	385.83	1.72	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals / Transfers	-	-	(2.53)	-	(298.88)	(6.66)	(15.35)	(9.99)	(5.03)	(12.75)	(33.56)	(386.95)	-	(0.35)	(0.35)	-	-	(247.26)
As at March 31, 2024	149.38	5,906.43	5.79	5.79	36,506.79	373.21	232.61	1,478.97	384.58	198.91	1,659.72	46,896.39	291.87	176.26	468.12	1,525.26	129.37	-
Net Carrying Value	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2023	7,290.16	1,441.76	9,326.47	1.79	22,526.37	7.18	136.22	1,454.10	416.60	107.21	706.76	43,414.62	16.22	118.08	134.30	879.42	50.90	814.37
As at March 31, 2024	7,297.96	1,413.76	15,611.71	1.60	21,654.11	6.86	151.08	1,705.35	396.49	113.49	737.70	49,090.16	8.00	136.94	144.94	1,347.01	49.18	-

NOTE:

I) REVALUATION DURING THE YEAR - NIL (P.Y. - NIL)

II) THE MOVABLE PROPERTY, PLANT AND EQUIPMENT ARE HYPOTHECATED WITH BANKS FOR THE WORKING CAPITAL FACILITIES AVAILABLE

Particulars	31.03.2024		31.03.2023	
	Capital Work in Progress	3,248.53	3,248.53	2,788.13
CWIP				
Project in Progress				
As at March 31, 2024		3,248.53		3,248.53
As at March 31, 2023		2,788.13		2,788.13
Project temporarily suspended				
As at March 31, 2024		-		-
As at March 31, 2023		-		-
Total				
Amount in CWIP for a period of				
Less than 1 year				
1-2 years				
2-3 years				
More than 3 years				
Total				
Project in Progress				
As at March 31, 2024		3,248.53		3,248.53
As at March 31, 2023		2,788.13		2,788.13
Project temporarily suspended				
As at March 31, 2024		-		-
As at March 31, 2023		-		-

CWIP completion schedule where completion is overdue or has exceeded the cost compared to its original plan - NIL

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
2 INVESTMENTS

(₹ In Lakhs)

Particulars	Number of Shares	Face Value in ₹	As at 31 March, 2024			Number of Shares	Face Value in ₹	As at 31 March, 2023		
			Quoted	Unquoted	Total			Quoted	Unquoted	Total
(a) Investment in Equity instruments										
(Fully paid up) (Unquoted) At Cost										
(i) Subsidiaries:										
LGB U.S.A.	871.97	1.00		3,257.13	3,257.13	871.97	1.00		3,257.13	3,257.13
RSAL Steel Private Limited (Wholly owned subsidiary)* (Refer Note No.63)	1,00,000	10.00		3,636.77	3,636.77					
(b) Investment in Equity instruments										
(Fully paid up) (Quoted)										
At Fair value through Other Comprehensive Income										
(i) Others:										
Elgi Equipments Limited	24,34,412	1.00	14,647.86		14,647.86	24,34,412	1.00	10,666.38		10,666.38
LGB Forge Limited	2,90,00,000	1.00	2,581.00		2,581.00	2,90,00,000	1.00	2,392.50		2,392.50
(c) Investment in Equity instruments:										
(Fully paid up) (Unquoted) At Fair Value through Other Comprehensive Income										
(i) Others:										
TRL Krosaki Refractories Limited	5,000	10.00		16.94	16.94	5,000	10.00		14.02	14.02
(Formerly known as Tata Refractory Limited)										
Silent Chain India (P) Limited	770	10.00		2.09	2.09	770	10.00		2.00	2.00
LG Farm Products (P) Limited	10,000	10.00		8.98	8.98	10,000	10.00		8.10	8.10
South West Engineering India Limited	207	1000.00		63.05	63.05	207	1000.00		73.60	73.60
Super Speeds (P) Limited	1,72,864	10.00		305.03	305.03	1,30,500	10.00		210.52	210.52
			17,228.86	7,289.99	24,518.85			13,058.88	3,565.37	16,624.25

Particulars	As at 31 March, 2024	As at 31 March, 2023
Aggregate amount of quoted investments and market value thereof	17,228.86	13,058.88
Aggregate Amount of Unquoted Investments	7,289.99	3,565.37
	24,518.85	16,624.25

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
3 OTHER NON-CURRENT FINANCIALS ASSETS		
Unsecured, Considered good (unless otherwise stated)		
(a) Security and other deposits	1,632.45	1,512.34
(b) Bank Deposits with more than 12 months maturity	29,200.00	12,836.49
Total	30,832.45	14,348.83
4 OTHER NON CURRENT ASSETS		
Unsecured, Considered good (unless otherwise stated)		
(a) Capital advance	1,607.49	889.60
(b) Advance other than Capital advance		
Unsecured, Considered good (unless otherwise stated)		
(i) Prepaid expenses	69.04	48.56
(ii) Rent and other advances	262.92	219.60
(iii) Advance recoverable	96.30	278.59
(iv) Income and claims receivable	37.83	37.83
Total	2,073.58	1,474.18
5 INVENTORIES		
(At Lower of cost and net realisable value)		
(a) Raw Materials	8,677.86	8,572.12
(b) Work-in-progress	12,589.09	11,822.12
(c) Finished products	10,446.30	12,632.35
(d) Packing materials	490.87	448.46
(e) Stores & spares	2,057.35	2,107.03
(f) Loose tools	2,132.60	2,125.08
Total	36,394.07	37,707.16
Note:		
(i) The inventories are hypothecated with the Banks for the working capital facilities availed		
(ii) Goods in Transit included above are as follows:		
Raw Materials	26.65	12.12
Work-in-progress	549.94	536.55
Finished products	1,063.62	1,443.90
Packing materials	2.56	0.72
Stores & spares	10.37	10.05
Loose tools	0.36	10.92
6 TRADE RECEIVABLE		
(i) Unsecured, considered good	27,984.63	25,345.31
(ii) Unsecured, Having significant increase in credit risk	142.47	263.97
Less: Provision for expected credit loss	(142.47)	(263.97)
(ii) Unsecured, Credit Impairment	73.92	78.12
Less: Provision for expected credit loss	(73.92)	(78.12)
Total	27,984.63	25,345.31

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
Note:		
(a) Debts due by Directors or other Officers of the Company	-	-
(b) Debts due by Companies in which a Director is a Director/Member	93.35	999.59
(c) Trade receivables include unbilled revenue	-	-
(d) The entire book debts are pledged with the Banks for the working capital facilities availed		

TRADE RECEIVABLES SCHEDULE
For the year ended March 31, 2024

PARTICULARS	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed - considered good	27,651.39	303.49	5.44	23.71	0.60	27,984.63
Undisputed - which have significant increase in credit risk	85.70	55.69	1.08	-	-	142.47
Undisputed - credit impaired	-	0.21	9.25	-	-	9.46
Disputed - considered good	-	-	-	-	-	-
Disputed - which have significant increase in credit risk	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	64.46	64.46
Sub-Total	27,737.09	359.39	15.77	23.71	65.06	28,201.02
Less: Allowance for Expected Credit Loss						(216.39)
Trade Receivables						27,984.63

For the year ended March 31, 2023

PARTICULARS	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed - considered good	24,692.90	610.90	23.72	17.80	-	25,345.32
Undisputed - which have significant increase in credit risk	66.40	156.24	41.31	-	-	263.95
Undisputed - credit impaired	-	13.27	0.40	-	-	13.67
Disputed - considered good	-	-	-	-	-	-
Disputed - which have significant increase in credit risk	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	64.46	64.46
Sub-Total	24,759.30	780.41	65.43	17.80	64.46	25,687.40
Less: Allowance for Expected Credit Loss						(342.09)
Trade Receivables						25,345.31

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
7 CASH AND BANK BALANCES		
A Cash and cash equivalents (as per IND AS 7 Cash Flow Statements)		
(a) Cash- on- Hand	7.32	6.72
(b) Balances with Banks		
(i) In Current Account and debit balances in Cash Credit Accounts	813.90	1,040.78
(ii) In Collection Account	188.62	203.65
(iii) In Deposit Account with less than 3 months maturity	-	-
Total (A)	1,009.84	1,251.15
B Other Bank Balances		
(a) In Margin money with Banks	143.00	87.00
(b) In Deposit Account with more than 3 months maturity but less than 12 months	32,337.49	33,200.00
(c) In Earmarked Accounts		
Unpaid Dividend Account	121.64	100.59
CSR Unspent Account	82.30	-
Preferential share Warrant account	1,615.00	-
Total (B)	34,299.43	33,387.59
Total Cash and Bank Balances (A+B)	35,309.27	34,638.74

Notes:

(i) Margin money with Banks is for the purpose of compliance of Deposits accepted from Public.

8 LOANS		
(a) Loans to Related Party		
(i) Unsecured, Considered Good	500.00	-
Total	500.00	-

Note:

- Due by private company (WOS) in which any director is a director or member - ₹ 500.00 lakhs
- The above loan is provided to the wholly owned subsidiary for its principal business activities
- The above loan carries an interest rate of 9% and is repayable on demand within a period of 1 year.
- Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties (as defined under Companies Act, 2013):

		As at 31-03-2024		As at 31-03-2023	
a)	Amounts repayable on demand				
	- Promoters	-	-	-	-
	- Directors	-	-	-	-
	- Key managerial personnel	-	-	-	-
	- Subsidiaries	500.00	100.00%	-	-
b)	Without specifying any terms or period of repayment	-	-	-	-
	Total	500.00	100.00%	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
9 OTHER FINANCIAL ASSETS		
Unsecured, Considered good (unless otherwise stated)		
(a) Loans and advances to employees	55.52	40.13
(b) Interest accrued on Deposits	2,420.01	1,092.72
Total	2,475.53	1,132.85
10 OTHER CURRENT ASSETS		
Unsecured, Considered good (unless otherwise stated)		
(a) Prepaid expenses	683.21	444.84
(b) Balance with govt authorities	77.72	77.72
(c) Advance recoverable	109.93	110.91
(d) Income and claims receivable	196.13	192.75
(e) Rent Advance	94.80	113.80
(f) Supplier Advance	2,057.11	1,311.45
Total	3,218.90	2,251.47

11 SHARE CAPITAL (EQUITY SHARES OF ₹ 10/- EACH WITH VOTING RIGHTS)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
(A) AUTHORISED	4,70,00,000	4,700.00	4,70,00,000	4,700.00
Total	4,70,00,000	4,700.00	4,70,00,000	4,700.00
(B) ISSUED	3,13,92,416	3,139.24	3,13,92,416	3,139.24
Total	3,13,92,416	3,139.24	3,13,92,416	3,139.24
(C) SUBSCRIBED AND FULLY PAID-UP	3,13,92,416	3,139.24	3,13,92,416	3,139.24
Total	3,13,92,416	3,139.24	3,13,92,416	3,139.24

Notes:
11 (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Opening balance	Fresh Issue	Bonus/ESOP	Conversion / Buyback	Closing balance
Equity shares with voting rights					
Year ended 31 st March, 2024					
Number of shares	3,13,92,416	-	-	-	3,13,92,416
Amount (₹ in lakhs)	3,139.24	-	-	-	3,139.24
Year ended 31 st March, 2023					
Number of shares	3,13,92,416	-	-	-	3,13,92,416
Amount (₹ in lakhs)	3,139.24	-	-	-	3,139.24

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
11 (ii) Details of shares held by Promoter

Name of the shareholder	As at 31 March 2024		As at 31 March, 2023		% Change during the year
	Number of shares held	% of holding	Number of shares held	% of holding	
Equity shares with voting rights					
B.Vijayakumar	34,54,000	11.00	34,54,000	11.00	-
Rajsri Vijayakumar	21,79,156	6.94	21,79,156	6.94	-
LGB Auto Products Private Ltd	18,56,000	5.91	17,89,506	5.70	0.21
Jeshta Family Private Trust	15,69,675	5.00	15,60,000	4.97	0.03
LG Farm Products Private Ltd	8,06,845	2.57	8,00,000	2.55	0.02
L G Sports Private Limited	4,50,000	1.43	4,29,000	1.36	0.07
Super Transports Private Limited	1,40,000	0.45	1,40,000	0.45	-
K Arjun	-	-	1,16,845	0.37	(0.37)
K Nithin	-	-	1,00,000	0.32	(0.32)
Elgi Automotive Service Pvt Ltd	80,000	0.25	80,000	0.25	-
Super Speeds Private Limited	50,000	0.16	50,000	0.16	-
Vijayshree Vijayakumar	-	-	24,500	0.08	(0.08)
Tribe Holdings Pvt Ltd (erstwhile known as Tribe Investment & Services Pvt Ltd)	-	-	10,705	0.03	(0.03)
Silent Chain India Pvt Ltd	7,200	0.02	7,200	0.02	-
Total	1,05,92,876	33.74	1,07,40,912	34.22	-0.47

11 (iii) Details of shares held by each shareholder holding more than 5% shares

Name of the shareholder	As at 31 March 2024		As at 31 March, 2023	
	Number of shares held	% of holding	Number of shares held	% of holding
Equity shares with voting rights				
B.Vijayakumar	34,54,000	11.00	34,54,000	11.00
HDFC Small Cap Fund	28,55,543	9.10	25,56,997	8.15
Rajsri Vijayakumar	21,79,156	6.94	21,79,156	6.94
L.G.B.Auto Products (P) Ltd	18,56,000	5.91	17,89,506	5.70
Jeshta Family Private Trust	15,69,675	5.00	15,60,000	4.97

11 (iv) Terms and rights attached to equity shares:

- The company has only one class of equity shares having a par value of ₹ 10/- each. The equity shares of the Company ranks pari passu in all aspects including rights and entitlement to dividend. The Equity shareholders are entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company in proportion to their shareholding.
- Dividend proposed by Board of Directors (₹ 18/- per Equity Share) (PY - ₹ 16/- per Equity Share) for the Financial Year 2023-24 for Face value of ₹ 10/- is subject to approval of Shareholders in ensuing Annual General Meeting

11 (v) Shares issued for consideration other than cash and Buyback during five preceding years:

	Aggregate No of Shares
(a) Shares fully paid up pursuant to contract(s) without payment being made in cash	Nil
(b) Equity Shares fully paid up by way of bonus shares	1,56,96,208.00
(c) Shares bought back	Nil

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

11(vi) Out of Equity and Preference shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below: Nil

11(vii) Share Warrants:

Equity shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment, including the terms and amounts:

Share reserved (in Nos.):	5,00,000
Total Amount (in ₹ Lakhs):	6,460

Terms: 5,00,000 Share Warrants @ ₹ 1,292/- per warrant issued to promoters on preferential basis with option to exercise their right within 18 months from the date of issue of warrants (13.03.2024) to be issued at ₹ 10/- per share at a premium of ₹ 1,282/- per share.

Till the balance sheet date, an amount of ₹ 1,615 lakhs has been received from subscribers of the warrants and the warrant holders have not exercised their right. The amount is disclosed under other equity as Money Received under Share Warrant in Note No.12 to the financial statements.

Rights: The share warrants shall not carry any voting rights until they are converted into equity shares and the warrants by itself, until exercised and converted into equity shares, shall not give the warrant holders any rights with respect to that of an equity shareholder of the company.

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
12 OTHER EQUITY		
(a) Securities premium		
Opening balance	1,530.99	1,530.99
Closing balance	1,530.99	1,530.99
(b) Money received against Share warrants		
Opening Balance	-	-
Add: Received during the year	1,615.00	-
Closing balance	1,615.00	-
(c) General reserve		
Opening balance	1,10,000.00	90,000.00
Add: Transfer from surplus in Statement of Profit and Loss	20,000.00	20,000.00
Closing balance	1,30,000.00	1,10,000.00
(d) Other Comprehensive Income		
Opening Balance	8,904.48	6,189.24
Add: OCI for the year	3,714.94	2,888.45
Less: Gain on Sale of Shares transferred to Retained earning	-	173.21
Closing balance	12,619.42	8,904.48
(e) Retained Earnings		
Opening balance	10,851.47	10,722.99
Add : Profit/(Loss) for the year	26,950.33	24,769.58
Add : OCI Remeasurement of defined employee benefit plans	121.82	(105.45)
Add : Gain on Sale of Shares transferred from OCI	-	173.21
Less :Dividend paid	5,022.79	4,708.86
Less :Transferred to General reserve	20,000.00	20,000.00
Closing balance	12,900.83	10,851.47
Total	1,58,666.24	1,31,286.94

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Nature and Purpose of the Reserve:

Securities premium:

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

Money received against Share warrants

Money received against Share warrants represents amount received towards share warrants issued by the company. The Company shall transfer amounts from this reserve to equity share capital and securities premium on allotment of shares against the said warrants.

General reserve:

This is available for distribution to shareholders.

Other Comprehensive Income:

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Retained earnings:

Company's share of cumulative earnings since its formation minus the dividends/capitalisation and earnings transferred to general reserve.

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
13 BORROWINGS		
(a) Fixed deposits:		
From Public		
Unsecured	167.71	135.38
From Directors		
Unsecured	570.00	540.00
From other related parties		
Unsecured	160.00	10.00
Total	897.71	685.38

13 (i)

- (a) There was no default in the repayment of loans, borrowing and interest during the year.
- (b) Interest rate relating to fixed deposits is in the range of 6.50% to 8.00% during the year.
- (c) The fixed deposits are repayable on maturity, the period for which ranges from 1 to 3 years.

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
14 PROVISIONS		
(i) Provision for Employee Benefits		
- Provision for Leave Salary	397.88	378.89
(ii) Others		
- Provision for contingencies	1,000.00	1,000.00
- Decommissioning Liability	118.36	112.87
Total	1,516.24	1,491.76

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
15 CURRENT BORROWINGS		
(a) Loan repayable on demand		
(i) From Banks		
Secured (Refer 15(i) (c) below)	6,000.00	5,819.80
(ii) Loans from Related Parties		
- Loan from Directors, Unsecured	760.00	200.00
- Loan from Other related parties, Unsecured	242.00	863.00
(b) Current maturities of long-term debt (Refer Note (iii) below)	609.48	710.77
	7,611.48	7,593.57

Notes:
15 (i) Details of Security for Borrowings:

- (a) Working capital loans from banks are primarily secured by hypothecation of inventories and book debts of the Company
- (b) Interest rate relating to Short term loans from banks is in the range of 7.10% to 9.10%
- (c) Break-up of loan repayable on demand and financial institutions.

Particulars	As at 31 March 2024		As at 31 March, 2023	
	Secured ₹ in Lakhs	Unsecured ₹ in Lakhs	Secured ₹ in Lakhs	Unsecured ₹ in Lakhs
Loan repayable on Demand				
From Banks				
HDFC Bank Ltd	1,500.00	-	1,819.80	-
ICICI Bank Ltd	2,000.00	-	2,000.00	-
IDBI Bank Ltd	1,000.00	-	2,000.00	-
Hongkong and Shanghai Banking Corporation Ltd	1,500.00	-	-	-
Total - Loan from banks	6,000.00	-	5,819.80	-

15 (ii) Note: There was no default in the repayment of loans and interest during the year.

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
15 (iii) Current maturities of Long-term debt:		
Fixed Deposits:		
Directors	510.00	558.80
Other Related Parties	10.00	64.00
Public	89.48	87.97
Total - Current maturities of Long-term debt	609.48	710.77
16 TRADE PAYABLE		
Trade payables		
- total outstanding dues of micro & small enterprises	1,451.38	2,182.66
- total outstanding dues other than micro & small enterprises	22,296.77	16,652.13
	23,748.15	18,834.79

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
Note:

- (i) Dues to micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.
- (ii) there are no unbilled dues payable for the above years.

TRADE PAYABLE AGEING SCHEDULE
For The Year Ended 31 March, 2024

₹ in lakhs

PARTICULARS	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	1,451.08	-	-	-	1,451.08
Others	22,269.81	-	-	-	22,269.81
Disputed dues - MSME	-	0.30	-	-	0.30
Disputed dues - Others	-	16.77	1.29	8.90	26.96
Total	23,720.89	17.07	1.29	8.90	23,748.15

For The Year Ended 31 March, 2023

PARTICULARS	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	2,169.67	-	-	-	2,169.67
Others	16,636.05	-	-	-	16,636.05
Disputed dues - MSME	-	12.55	0.44	-	12.99
Disputed dues - Others	-	4.47	10.44	1.17	16.08
Total	18,805.72	17.02	10.88	1.17	18,834.79

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
17 OTHER FINANCIAL LIABILITIES		
(a) Interest accrued		
- but not due on secured loans	8.42	7.02
- but not due on Unsecured loans	7.02	13.48
- but not due on deposits from customers	88.00	76.15
(b) Unclaimed dividends (Refer Note (i) below)	121.64	100.59
(c) Others		
Payable on purchase of fixed assets	955.32	190.83
Expenses Payable	14,039.43	12,838.03
Total	15,219.83	13,226.10

17 (i) There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

18 OTHER CURRENT LIABILITIES

Other Advances:		
(a) Statutory remittances	1,764.22	1,445.25
(b) Advance and deposits from customers etc.,	1,045.03	1,003.89
Total	2,809.25	2,449.14

19 PROVISIONS

Provision from Employee Benefits		
(a) Provision for Leave Salary	41.93	40.45
Total	41.93	40.45

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
20 REVENUE FROM OPERATIONS		
a) Sale of products	2,08,002.19	1,91,744.95
b) Other operating revenue		
(i) Scrap sales	14,525.70	16,174.55
(ii) Duty drawback and other export incentives	576.40	645.81
Revenue from operations (Gross)	2,23,104.29	2,08,565.31
Revenue from sale of products disaggregated on the basis of major business areas are as follows:		
(i) Transmission	1,72,916.34	1,59,596.93
(ii) Metal Forming	35,085.85	32,148.02
	2,08,002.19	1,91,744.95
21 OTHER INCOME		
a) Interest income		
(i) Interest on fixed deposit with banks	4,207.17	2,030.96
(ii) Interest on Electricity Deposits	52.88	42.86
(iii) Others	15.45	8.10
Total Interest Income	4,275.50	2,081.92
b) Dividend income:	49.84	29.16
c) Other non-operating income		
(i) Rental and lease income	82.84	76.56
(ii) Agricultural income	3.71	6.72
(iii) Profit on sale of assets	10.18	33.86
(iv) Miscellaneous receipts	37.36	28.83
(v) Profit on foreign currency transactions and translation	326.42	334.58
(vi) Provision for doubtful debts/advances reversed	125.70	-
Total Other Non-Operating Income	586.21	480.55
Total	4,911.55	2,591.63
22(A) COST OF MATERIALS CONSUMED (RAW MATERIALS AND PACKING MATERIALS)		
Opening Stock:	9,020.59	12,614.66
Add: Purchases	99,664.18	92,077.94
Less: Closing Stock	9,168.73	9,020.59
Cost of material consumed	99,516.04	95,672.01
(B) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Inventories at the end of the year		
Finished goods	10,446.30	12,632.35
Work-in-progress	12,589.09	11,822.12
	23,035.39	24,454.47

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
Inventories at the beginning of the year		
Finished goods	12,632.35	12,146.25
Work-in-progress	11,822.13	12,521.68
	24,454.48	24,667.93
Net decrease / (increase)	1,419.09	213.46
23 EMPLOYEE BENEFITS EXPENSES		
(a) Salaries and wages	30,032.99	26,706.29
(b) Contribution to provident and other funds	1,613.36	1,548.67
(c) Staff welfare expenses	1,523.93	1,267.68
Total	33,170.28	29,522.64
24 FINANCE COSTS		
(a) Interest expenses:		
(i) On borrowings:	611.35	483.89
(ii) On Decommissioning Liability	5.63	5.36
(iii) On Lease Liability	102.06	113.35
Total	719.04	602.60
25 OTHER EXPENSES		
(a) Consumption of stores and spare parts	15,101.66	13,844.12
(b) Processing charges	9,598.40	8,757.82
(c) Power and Fuel	9,763.71	8,990.44
(d) Rent including lease rentals	534.96	480.25
(e) Repairs & maintenance of		
(i) Buildings	408.08	373.63
(ii) Machinery	2,429.65	2,279.36
(iii) Other assets	2,358.57	2,003.44
(f) Insurance	234.55	277.18
(g) Rates and taxes	553.41	281.96
(h) Travelling and conveyance	779.44	653.28
(i) Printing and stationery	26.09	29.76
(j) Postage, telegram and telephones	121.64	103.64
(k) Freight charges	5,846.45	5,874.04
(l) Advertisement, publicity and selling expenses	398.05	213.70
(m) Bank charges	68.47	99.60
(n) Legal and professional charges	387.57	359.87
(o) Payments to auditors (Refer note (i) below)	24.30	22.35
(p) Expenditure on Corporate Social Responsibility (Refer note (ii) below)	569.24	416.13
(q) Bad debts written off	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
(r) Assets condemned & written off	29.67	28.16
(s) Provision for doubtful debts/advances	-	184.82
(t) Loss on sale of Assets	-	0.03
(u) Provision for contingencies	-	-
(v) Sitting fees	17.70	12.90
(w) Watch and Ward	982.64	898.51
(x) Agricultural expenses	4.72	7.25
(y) Miscellaneous expenses	105.52	81.44
	50,344.49	46,273.68
Note		
(i) Details of Auditors' remuneration:		
Payment to auditors comprises (net of GST input credit wherever applicable)		
(a) To Statutory Auditors:		
For statutory audit	18.00	16.40
For certification and other services	-	-
(b) To Tax Auditors:		
For taxation matters	4.00	3.75
(c) To cost auditors for cost audit	2.30	2.20
Total	24.30	22.35
(ii) Details of CSR Expenditure:		
(i) Contribution to		
Educational Aids to Students	93.52	108.04
Water Tank Project	37.63	28.00
Red Cross Society	-	26.00
Jim Facility at Jalna	-	15.93
Amrit Centre for Special Needs	-	15.00
Coimbatore Cancer Foundation	10.00	10.00
The Womens Voluntary Service Association	7.50	-
Solar Power System to Swathanthara Hr.Sec.School	6.21	-
VOC Higher Secondary School, D.Gudalur	-	5.73
Bright Future Organisation for Blind (Notebooks)	5.48	3.66
Kundha Panchayat - water connection for public	5.27	-
The United Educational and Social Welfare Trust	5.00	-
Saraswathi Education and Welfare Trust	5.00	-
Sarswathy Educational Trust, Megalaya	-	5.00
Govt. Primary School, Saravanampatti	4.97	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
Govt. Elementary School, Pongalur	-	3.05
(ii) Contribution to others	16.36	14.72
(iii) Provision for unspent amount	372.30	181.00
	569.24	416.13
26 INCOME TAX EXPENSE		
Current Tax:		
Current tax on profits for the year	9,566.53	8,684.91
Adjustments for current tax of prior periods	-	-
Total current tax expense	9,566.53	8,684.91
27 DEFERRED TAX:		
Decrease/ (Increase) in deferred tax assets	156.75	200.63
(Decrease)/ Increase in deferred tax Liabilities	(416.38)	(108.51)
Total deferred tax expense/ (benefit)	(259.63)	92.12
Income tax expense	9,306.90	8,777.03
The Income-tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax	36,257.23	33,546.61
Income-tax expense calculated at 25.168%	9,125.22	8,443.01
i) Tax effect on earlier year disallowances	-	-
ii) Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Impact of Property, Plant & Equipment	428.28	169.46
Impact of lease accounting	(102.63)	(91.23)
Provision for employee benefit expenses	0.93	(21.41)
Provision for bad and doubtful debts	(31.64)	46.52
Corporate social responsibility expenditure	143.27	104.73
Effect of income taxable at differential tax rate	-	29.91
Other permanent disallowance items	3.10	3.92
Total tax expense	9,566.53	8,684.91

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

28 FAIR VALUE MEASUREMENT

Financial instruments by category

₹ in Lakhs

Particulars	March 31, 2024					March 31, 2023				
	FVTPL	FVTOCI	Amor-tised Cost	Total Carrying Value	Total Fair Value	FVTPL	FVTOCI	Amor-tised Cost	Total Car-rying Value	Total Fair Value
Financial Assets										
Investments										
- Equity instruments (other than subsidiary and associates)	-	17,624.95	-	17,624.95	17,624.95	-	13,367.12	-	13,367.12	13,367.12
Trade Receivables	-	-	27,984.63	27,984.63	27,984.63	-	-	25,345.31	25,345.31	25,345.31
Cash and bank balances	-	-	35,309.27	35,309.27	35,309.27	-	-	34,638.74	34,638.74	34,638.74
Other Financial assets	-	-	33,307.97	33,307.97	33,307.97	-	-	15,481.68	15,481.68	15,481.68
Total Financial Assets	-	17,624.95	96,601.87	1,14,226.82	1,14,226.82	-	13,367.12	75,465.73	88,832.85	88,832.85
Financial Liabilities										
Borrowings	-	-	8,509.19	8,509.19	8,509.19	-	-	8,278.95	8,278.95	8,278.95
Trade Payables	-	-	23,748.15	23,748.15	23,748.15	-	-	18,834.79	18,834.79	18,834.79
Lease Liabilities	-	-	1,530.80	1,530.80	1,530.80	-	-	1,034.32	1,034.32	1,034.32
Other Financial liabilities	-	-	15,219.83	15,219.83	15,219.83	-	-	13,226.10	13,226.10	13,226.10
Total Financial Liabilities	-	-	49,007.97	49,007.97	49,007.97	-	-	41,374.16	41,374.16	41,374.16

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	March 31, 2024				March 31, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Investments at FVTOCI								
Listed Equity instruments	17,228.86	-	-	17,228.86	13,058.88	-	-	13,058.88
Unlisted Equity instruments	-	-	396.09	396.09	-	-	308.24	308.24
Total Financial Assets	17,228.86	-	396.09	17,624.95	13,058.88	-	308.24	13,367.12
Financial Liabilities								
Total Financial Liabilities	-	-	-	-	-	-	-	-

Level 1:

This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares

Level 2:

The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3:

This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair value is determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This Level includes investment in unquoted equity shares.

There are no transfers between levels 1, 2 and 3 during the year.

The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 except for unlisted equity securities where the fair values have been determined based on book value per share as per the latest available financial statements.

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
Details of the investment property and its fair value:

Investment property disclosed is net of depreciation.

The fair values of investment properties have been determined based on the valuation report of a certified engineer.

Particulars	As at 31.03.2024 ₹ in Lakhs
Fair Market Value of Investment Properties	
a) Land	735.06
b) Building	455.75
Total	1,190.81

29 FINANCIAL INSTRUMENTS
Capital Management

The Company manages its capital to ensure that the Company will be able to continue as going concern, while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, cash generated from operation, long term and short-term borrowings.

The capital structure of the Company consists only of equity.

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
Gearing Ratio:		
Debt	897.71	685.38
Less: Cash and bank balances	35,309.27	34,638.74
Net debt	(34,411.56)	(33,953.36)
Total equity	1,61,805.48	1,34,426.18
Net debt to equity ratio (%)	-21.27%	-25.26%

Financial risk Management objectives

The treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using natural hedging financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of Directors, which provide written principles on foreign exchange risk, the use of financial derivatives, and the investment of excess liquidity. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company actively manages its

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

currency and interest rate exposures through its finance division and uses derivative instruments such as forward contracts and currency swaps, wherever required, to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by appropriate levels of Management.

Foreign currency risk Management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company actively manages its currency rate exposures and uses natural hedging principles to mitigate the risks from such exposures. The use of derivative instruments, if any, is subject to limits and regular monitoring by appropriate levels of management.

Foreign currency exposure not hedged by Derivative Instruments as on 31.03.2024

Currency	Receivable/ (Payable)	Receivable Exchange Rate	Payable Exchange Rate	Rs. in lakhs
USD	56,09,487.16	83.32	-	4,673.82
	(5,20,632.84)	-	83.32	(433.79)
EUR	28,71,357.97	90.16	-	2,588.82
	(28,869.70)	-	90.16	(26.03)
GBP	4,74,843.59	105.23	-	499.68
	-	-	105.23	-
JPY	-	0.5506	-	-
	-	-	0.5506	-
Total Receivable (A)				7,762.32
Total Payable (B)				(459.82)
Net Foreign currency Exposure (C= A-B)				7,302.50
Less : Hedged (D) against Receivable				6,138.90
Unhedged Foreign Currency Exposure (E= C-D)				1,163.60

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
As on March 31, 2024							
USD	5,20,632.84	-	5,20,632.84	56,09,487.16	54,00,000.00	2,09,487.16	-3,11,145.68
EUR	28,869.70	-	28,869.70	28,71,357.97	18,00,000.00	10,71,357.97	10,42,488.27
GBP	-	-	-	4,74,843.59	-	4,74,843.59	4,74,843.59
JPY	-	-	-	-	-	-	-
As on March 31, 2023							
USD	94,389.09	-	94,389.09	59,33,702.41	17,00,000.00	42,33,702.41	41,39,313.32
EUR	50,502.72	-	50,502.72	25,91,968.86	40,00,000.00	(14,08,031.14)	(14,08,031.14)
GBP	-	-	-	52,914.82	-	52,914.82	52,914.82
JPY	31,50,000.00	-	31,50,000.00	8,080.00	-	8,080.00	(31,41,920.00)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
Foreign currency sensitivity analysis

Movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its operations. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures. The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 5%, which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates.

Impact on Profit and loss for the reporting period

₹ in lakhs

Particulars	For the year ended 31 March 2024 Increase by 5%	For the year ended 31 March 2024 Decrease by 5%	For the year ended 31 March 2023 Increase by 5%	For the year ended 31 March 2023 Decrease by 5%
USD	(12.96)	12.96	169.96	(169.96)
EURO	47.00	(47.00)	(63.03)	63.03
GBP	24.98	(24.98)	2.69	(2.69)
JPY	-	-	-0.97	0.97

Impact on total equity as at end of the reporting period

Particulars	For the year ended 31 March 2024 Increase by 5%	For the year ended 31 March 2024 Decrease by 5%	For the year ended 31 March 2023 Increase by 5%	For the year ended 31 March 2023 Decrease by 5%
USD	(9.70)	9.70	127.18	(127.18)
EURO	35.17	(35.17)	(47.17)	47.17
GBP	18.70	(18.70)	2.02	(2.02)
JPY	-	-	(0.73)	0.73

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Interest rate risk Management

The Company is exposed to interest rate risk because it borrow funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

For details of the Company's long-term and short-term loans and borrowings, including interest rate profiles, refer to Note 13 and 15 of these financial statements.

Interest rate sensitivity analysis
Fixed Rate Instruments

The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IND AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

Variable Rate Instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and profit or loss. The company as at the Balance Sheet date doesn't have any floating rate

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

liability and the liability during the year is not material to the company, hence it is considered that the company is not exposed materially to the interest rate changes.

Credit risk management

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks.

Exposure to credit risk

Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, balances with bank, bank deposits provided by the Company. None of the financial instruments of the Company result in material concentration of credit risk.

Offsetting related disclosures

Offsetting of cash and cash equivalents to borrowings as per the consortium agreement is available only to the bank in the event of a default. Company does not have the right to offset in case of the counter party's bankruptcy, therefore, these disclosures are not required.

Liquidity risk Management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk Management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company invests its surplus funds in bank fixed deposit . The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

Liquidity tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

₹ in Lakhs

	Due in 1 st year	Due in 2 nd to 5 th year	Due after 5 th year	Carrying amount
March 31, 2024				
Trade payables	23,748.15	-	-	23,748.15
Other financial liabilities	15,219.83	-	-	15,219.83
Borrowings	7,611.48	897.71	-	8,509.19
Lease Liabilities	424.53	1,106.26	-	1,530.79
	47,003.99	2,003.97	-	49,007.96
March 31, 2023				
Trade payables	18,834.79	-	-	18,834.79
Other financial liabilities	13,226.10	-	-	13,226.10
Borrowings	7,593.57	685.38	-	8,278.95
Lease Liabilities	393.27	641.05	-	1,034.32
	40,047.73	1,326.43	-	41,374.16

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
30 Contingent liabilities and commitments (to the extent not provided for)		
(i) Contingent liabilities:		
(a) Claims against the Company, not acknowledged as debts - disputed tax liabilities		
(i) Central Excise	162.72	162.72
(ii) Entry Tax	408.36	408.36
(iii) VAT	-	374.86
(iv) GST	46.97	9.68
(v) Income Tax	3,204.00	3,765.20
TOTAL	3,822.05	4,720.82
(b) Guarantee given by Bankers and outstanding	477.87	381.04
(c) Corporate guarantee given for others	-	-
(d) Estimated customs duty obligation on Imports, if corresponding export obligation is not satisfied	857.80	4,591.32

Note: Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

(ii) Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for - Tangible assets	15,962.50	11,471.76
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31 Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upto by the Auditors.

Other disclosures are as under:

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
(i) Principal amount remaining unpaid to any supplier as at end of the accounting year	1,451.38	2,182.66
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	NIL	NIL
(iii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the payment made to the supplier beyond the appointed day during the year.	NIL	NIL
(iv) Amount of interest due and payable for the period of delay in making payment but without adding interest as specified in the Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL
(v) The amount of interest accrued and remaining unpaid at the end of each accounting year.	NIL	NIL
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the dues are actually paid for the purpose of disallowance under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

32a) Remuneration to Executive Chairman (EC), Managing Director (MD) and Executive Director (ED) is included in Salary, Wages & Bonus: (₹ in Lakhs)

Particulars	For the year ended 31 March, 2024			For the year ended 31 March, 2023		
	EC	MD	ED	EC	MD	ED
Salaries & Allowances	85.05	96.00	60.00	111.96	86.00	33.00
Commission	374.31	224.59	93.58	604.61	181.84	21.92
Contribution to Provident Fund	5.17	5.76	3.60	12.17	8.88	3.06
Total	464.53	326.35	157.18	728.74	276.72	57.98

b) Computation of Net Profit under Section 198 of the Companies Act, 2013 and commission payable to the Executive Chairman, Managing Director and Executive Director:

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
Profit before tax	36,257.23	33,546.61
Add: Managerial remuneration (Refer Note)	948.06	1,063.44
Sitting fees to Directors	17.70	12.90
Provision for doubtful debts/advances	(125.70)	184.82
Loss on Sales of Assets	314.37	0.03
Assets condemned and written off	29.67	28.16
Less: Profit on Sale of Assets/Investments	10.18	221.07
Net profit	37,431.15	34,614.89
Maximum remuneration payable to Executive Chairman and Managing Director - 10% of the net profit	3,743.11	3,461.49
Commission payable @ 2% of Net Profit from 01.04.2022 to 31.12.2022 and 1% on Net Profit from 01.01.2023 to EC	374.31	604.61
Commission payable @ 0.50% of Net Profit from 01.04.2022 to 31.12.2022 and 0.60% on Net Profit from 01.01.2023 to MD	224.59	181.84
Commission payable @ 0.25% on Net Profit from 01.01.2023 to ED	93.58	21.92

Note : The remuneration paid / payable to the Executive Chairman, Managing Director and Executive Director for the year is within the limits specified in Section 197 of the Companies Act, 2013.

33 DETAILS OF GOVERNMENT GRANTS

Government grants received by the Company during the year towards		
Duty drawback and other export incentives	576.40	645.80
Subsidy received	995.04	1,842.27
Total	1,571.44	2,488.07

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

34 EMPLOYEE BENEFIT PLANS

Defined Contribution plans:

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized ₹ 1170.79 Lakhs (PY - ₹ 1,129.66 Lakhs) for Provident Fund contributions and ₹ 25.75 Lakhs (PY - ₹ 18.02 Lakhs) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

State plans:

The Company makes ESI contributions to Employees State Insurance Scheme. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized ₹ 205.36 Lakhs (PY - ₹ 213.61 Lakhs) in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Scheme.

Defined Benefit Plan - Gratuity:

The Company provides gratuity benefit (included as part of employees contribution to funds in Note 23 Employee benefits expense) to all eligible employees, which is funded with Life Insurance Corporation of India.

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
Components of employer expenses		
Current service cost	245.86	230.27
Interest cost	229.88	208.15
Expected return on Plan Assets	(264.29)	(251.85)
Actuarial (gains) / losses		
Past service cost		
Total expense recognized in Statement of Profit and Loss*	211.45	186.57
Actual contribution and the benefit payments for the year		
Actual benefit payments	(139.90)	(123.90)
Actual contribution	228.23	214.82
Other Comprehensive Income		
Opening OCI	270.29	129.38
Actuarial Loss / (Gain) on DBO	(189.76)	101.34
Actuarial Loss / (Gain) on Assets	26.95	39.57
Total recognized in Other Comprehensive Income	(162.81)	140.91
Closing Recognised in OCI	107.48	270.29
Net Asset/(Liability) recognized in the Balance Sheet		
Present value of benefit obligation	3,395.50	3,249.42
Fair value of plan assets	3,936.95	3,611.28

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
Funded Status [Surplus/(Deficit)] *	541.45	361.86
Unrecognised past service cost	-	-
Net Asset/(Liability) recognized in the Balance Sheet	541.45	361.86
Change in defined benefit obligations(DBO) during the year		
Present value of DBO at beginning of the year	3,249.42	2,833.56
Current service cost	245.86	230.27
Interest cost	229.88	208.15
Actuarial (gain) / loss on obligation	(189.76)	101.34
Benefits paid	(139.90)	(123.90)
Present value of DBO at the end of the year	3,395.50	3,249.42
Change in the Fair Value of assets during the year		
Plan Assets at beginning of the year	3,611.28	3,308.08
Acquisition adjustment		
Expected return on Plan Assets	264.29	251.85
Contributions by the employer	228.23	214.82
Actuarial gain / (loss)	(26.95)	(39.57)
Benefits paid	(139.90)	(123.90)
Plan Assets at the end of the year	3,936.95	3,611.28
Reconciliation of Present Value (PV) of Obligation and Fair Value (FV) of Assets:		
Closing PV of Obligation	3,395.50	3,249.42
Closing FV of Plan Assets	3,936.95	3,611.28
Funded Status [Surplus/(Deficit)] *	541.45	361.86
* - Included under the head "Employee Benefits" in Schedule 22		
Composition of the Plan assets is as follows:		
Equity instruments	-	-
Debt instruments	-	-
Property	-	-
Insurer managed asset *	100%	100%
* - The details with respect to the composition of investments in the fair value of plan assets have not been disclosed in the absence of the aforesaid information.		
Actuarial assumptions		
Discount Rate (per annum)	7.23%	7.52%
Rate of increase in compensation levels (per annum)	11.00%	11.00%
Expected return on plan assets (per annum)	7.23%	7.51%

* - Included in "Contribution to Provident & Other Funds" in Note 23 - Employee Costs

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
Experience adjustments		
Actuarial (Gains) and Losses on Obligation	(189.76)	101.34
Actuarial (Gains) and Losses due to change in Assumptions	-	-
Actuarial (Gains) and Losses on Plan assets	26.95	39.57
Total comprehensive Income for the year	(162.81)	140.91
Actuarial (Gains) and Losses Recognized in the year	(162.81)	140.91
Unrecognized Actuarial (Gains) and Losses for the year	-	-

Note:

- (i) The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated terms of the obligations.
- (ii) The estimate of future salary increased considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.
- (iii) The Company is expected to contribute ₹ 300.00 Lakhs to the Gratuity Fund next year.

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
(iv) Sensitivity Analysis:		
A. Discount Rate + 100 BP	-9.26%	-9.36%
Defined Benefit Obligation [PVO]	3,081.05	2,945.19
B. Discount Rate - 100 BP	10.91%	11.02%
Defined Benefit Obligation [PVO]	3,766.08	3,607.53
C. Salary Escalation Rate + 100 BP	9.66%	9.72%
Defined Benefit Obligation [PVO]	3,723.49	3,565.18
D. Salary Escalation Rate - 100 BP	-8.56%	-8.62%
Defined Benefit Obligation [PVO]	3,104.94	2,969.37
E. Attrition Rate + 100 BP	-2.85%	-2.69%
Defined Benefit Obligation [PVO]	3,298.74	3,161.93
F. Attrition Rate - 100 BP	3.30%	3.11%
Defined Benefit Obligation [PVO]	3,507.41	3,350.38

v Risk exposure:

The Company's Gratuity fund is maintained by an approved trust (Life Insurance Corporation of India). A large portion of the investment made by the LIC is in government bonds and securities and other approved securities. Hence, the Company is not exposed to the risk of asset volatility as at the balance sheet date.

vi Defined benefit liability and employer contributions:

The weighted average duration of the defined benefit obligation is 14.85 years (PY - 14.69 years). The expected maturity analysis of undiscounted gratuity is as follows:

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
Less than 1 year	137.19	138.44
Between 1 - 2 years	157.18	141.09
Between 2 - 3 years	251.74	187.72
Between 3 - 4 years	235.47	256.32
Between 4 - 5 years	274.64	237.31
Between 5 -10 years	1,612.32	1,564.86
Above 10 Years	5,927.81	6,111.33

35 DETAILS OF LEASING ARRANGEMENTS IND AS 116

As Lessor		
a	The Company has entered into operating lease arrangements for certain surplus facilities and equipments.	
	Total rental and lease income recognized in the Statement of Profit and Loss	82.84
		76.56
As Lessee		
b	Interest expenses on lease liability	102.06
	Expenses related to short term leases and lease of low value assets	534.96
	Total cashflow for leases	1,044.80
		956.09

36 EARNINGS PER SHARE

Basic & Diluted:		
	Net profit after tax - In ₹ Lakhs	26,950.33
	Profit attributable to Equity Shareholders - In ₹ Lakhs (A)	26,950.33
	Total number of equity shares outstanding at balance sheet date.	3,13,92,416
	Weighted average number of equity shares outstanding, considered for the purpose of computing Basic EPS (B)	3,13,92,416
	Nominal value of Equity Shares - In ₹	10
	Basic and Diluted Earnings Per Share-In ₹ (A/B)	85.85
		78.90

37 DEFERRED TAX LIABILITY

Tax effect of items constituting deferred tax Liability:		
	On difference between book balance and tax balance of fixed assets	868.20
	On account of provision for right to use assets	339.02
	On account of provision for lease liability	(385.27)
	On account of provision for doubtful debts	(54.46)
	On account of provision for contingencies	(251.68)
	On account of provision for bonus	-
	On account of provision for gratuity	136.27
	On account of provision for leave salary	(110.69)
	On account of provision for Investments in Shares	1,407.07
		1,948.46
		1,683.53

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Movement of Deferred Tax Liability:

₹ in lakhs

Particulars of Assets / (Liabilities)	For the year 2023-24			
	Opening balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Closing Balance
Property, Plant and Equipment	1,112.28	(290.34)	-	821.94
Provision for employee benefits (including bonus)	(14.47)	40.05	-	25.58
Provision for doubtful trade receivables and advances	(86.10)	31.64	-	(54.46)
Investments measured using FV at OCI	923.50	-	483.58	1,407.08
Other disallowances	(251.68)	-	-	(251.68)
Total	1,683.53	(218.65)	483.58	1,948.46

Particulars of Assets / (Liabilities)	For the year 2022-23			
	Opening balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Closing Balance
Property, Plant and Equipment	1,230.57	(118.29)	-	1,112.28
Provision for employee benefits (including bonus)	(235.93)	221.46	-	(14.47)
Provision for doubtful trade receivables and advances	(39.58)	(46.52)	-	(86.10)
Investments measured using FV at OCI	637.00	-	286.50	923.50
Other disallowances	(251.68)	-	-	(251.68)
Total	1,340.38	56.65	286.50	1,683.53

38 DETAILS OF R&D EXPENSES

1) Capital expenditure	148.65	86.40
2) Salaries & wages	489.94	457.44
3) Material costs	63.62	73.75
4) Maintenance expenses	97.77	50.18
5) Other expenses	47.59	91.01
Total	847.57	758.78

Note : While the accounts of R&D department are maintained separately, for the purpose of presentation, the administrative and other expenses are clubbed along with other functional head of expenses and presented in the Statement of Profit and Loss.

39 Details of Provision

The Company has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

₹ in Lakhs

Particulars	As at 1 st April, 2023	Additions	Utilisation	As at 31 March, 2024
Provision for other contingencies (Excise/ Customs / IT)	1,000.00	-	-	1,000.00
Provision for Doubtful Debts	342.09	-	(125.70)	216.39
Total	1,342.09	-	(125.70)	1,216.39

Particulars	As at 1 st April, 2022	Additions	Utilisation	As at 31 March, 2023
Provision for other contingencies (Excise/ Customs / IT)	1,000.00	-	-	1,000.00
Provision for Doubtful Debts	157.27	184.82	-	342.09
Total	1,157.27	184.82	-	1,342.09

40 The title deeds of immovable properties which are freehold, based on the registered sale deeds/transfer deed/conveyance deed/scheme of arrangements approved by Hon'ble high Courts & appropriate authorities and property tax receipts, are held in the name of the Company (other than the properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) as at Balance sheet date.

41 The company has no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

42 Ratios:

Ratio	Numerator	Denominator	31.03.2024	31.03.2023	Inc. / Dec.
a) Current Ratio	Current Assets	Current Liabilities	2.12	2.37	(10.54%)
b) Debt-Equity Ratio	Total Debt	Equity	0.05	0.06	(14.61%)
c) Debt Service Coverage Ratio	Earnings available for debt service	Total Debt service	19.02	18.31	3.90%
d) Return of Equity Ratio	Net Profit after tax	Average shareholder equity	0.18	0.18	(4.06%)
e) Inventory Turnover Ratio	Sales	Average Inventory	6.02	5.28	14.13%
f) Trade Receivables Turnover Ratio	Net Sales	Average Accounts receivables	8.37	7.87	6.36%
g) Trade Payables Turnover Ratio	Net Purchases	Average Trade Payables	4.68	4.21	11.24%
h) Net Capital Turnover Ratio	Net Sales	Working Capital	1.51	1.70	(11.16%)
i) Net Profit Ratio	Net Profit	Net Sales	12.08%	11.88%	0.20%
j) Return on Capital employed	Earnings before interest and tax	Capital Employed	22.31%	23.77%	(1.46%)
k) Return on investment	Income generated from investments	Average investments	5.72%	3.95%	1.78%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

43 No Scheme of Arrangement is approved u/s. 230 to 237 of the Companies Act for the Company.

44 Expenditure Incurred on Corporate Social Responsibility (CSR) Activities:

Profit Before Tax as per Section 198 of the Act:	₹ in Lakhs
Financial Year - 2020 - 21	19,268.91
Financial Year - 2021 - 22	32,607.36
Financial Year - 2022 - 23	33,510.26
Total	85,386.53
Average Profit Before Tax as per Section 135(5) of the Act	28,462.18
a) 2% of Average Profit to be Spent for CSR Activities	569.24
b) CSR Expenditure Incurred	569.24
c) Shortfall at the end of the year	-
d) Total of previous years shortfall	-
e) Reason for shortfall	NA
f) Nature of CSR activities	Education Promoting Health Care including Preventive Health Care Contribution to State Disaster Management Authority
g) Details of related party transactions	Nil
h) Movement in provision with respect to a liability incurred	Nil

45 The Company's borrowings from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

46 The company is not declared as a wilful defaulter by any bank or financial institution.

47 The company has no relationship with struck-off companies.

48 The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

49 The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to or in any other person or entity, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

50 The company has not been received any funds from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

51 The company has no income which has been surrendered or disclosed as income during the year in any of the tax assessments under the Income Tax Act 1961.

52 The company has not traded/invested in crypto currency/ virtual currency during the financial year.

53 There are no charges or satisfaction of charges that are yet to be registered with Registrar of Companies beyond the statutory period.

54 The company has not issued any securities for a specific purpose.

55 The company has utilised the borrowings from banks and financial institutions for the purpose for which it was availed.

56 There were no significant events that occurred after the Balance Sheet date apart from the ones mentioned in "Material Changes and commitments affecting the financial position between the end of the fiscal and date of the report" in the Board's report

57 Since the Company prepares consolidated financial statements, segment information as revised by IND AS 108 "Operating Segments" has been disclosed in consolidated financial statements.

58 Exceptional item represents subsidy received and the loss on sale of Fixed Assets.

59 Recent Accounting pronouncements:

As at the date of issue of financial statements, there are no new standards or amendments which have been notified by the MCA but not yet adopted by the Company. Hence, the disclosure is not applicable.

60 Previous year figures have been regrouped and reclassified, wherever necessary, to correspond with the current year's classification/disclosure.

61 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.

62 The Company has made preferential allotment of shares warrants to its Promoter and Promoter Group in compliance with Section 42 and Section 62 of the Companies Act, 2013. The funds raised through the preferential allotment of share warrants which remains unutilized as on the balance sheet date and held in a separate bank account.

63 The Company had acquired M/s RSAL Steel Private Limited ("RSAL") through Corporate Insolvency Resolution Process approved by the Hon'ble National Company Law Tribunal vide its order dated 09.01.2024 for a consideration of ₹ 3,636.77 Lakhs. Consequently RSAL has become a wholly owned subsidiary with effect from that date.

64 Related party disclosure

a) List of parties having significant influence

Subsidiaries

LGB USA INC. - 96%

Step Down Subsidiaries

GFM ACQUISITION LLC. - Holding by LGB USA - 98.47%

GFM LLC - Holding by GFM Acquisition LLC - 100%

Wholly Owned Subsidiaries

RSAL Steel Private Limited w.e.f. 13-02-2024

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel

Elgi Automotive Services Private Limited	Veena Coach Products
L.G.B. Auto Products Private Limited	G-Plast Private Limited
LG Farm Products Private Limited	Gedee Weiler Private Limited
LG Sports Private Limited	Metal Forms Private Limited
Super Transports Private Limited	Paatimachi Private Limited
Super Speeds Private Limited	Rajvirdhan Private Limited
LGB Forge Limited	Magriver Private Limited
Tribe Investments & Services Private Limited	Netcon Technologies India Private Limited
South West Engineering India Private Limited	D Engines Private Limited
Silent Chain India Private Limited	Primekart Zone Private Limited
Lakhsmi Printers	

Key Management personnel

Sri. B. Vijayakumar	Executive Chairman
Sri. P. Prabakaran	Managing Director
Sri. Rajiv Parthasarathy	Executive Director
Sri. N. Rengaraj	Chief Financial Officer
Sri. M. Lakshmi Kanth Joshi	Senior General Manager (Legal) and Company Secretary

Relatives of Key Management Personnel

Relatives of Sri. B. Vijayakumar:	
Smt.Vijayashree V	Wife
Sri.V.Rajvirdhan	Son
Sri.Nithin Karivardhan	Son
Sri.Arjun Karivardhan	Son
Smt. Shreya Maithri	Son's Wife
Smt.Rajsri Vijayakumar	Daughter
Sri.Rajiv Parthasarathy	Daughter's Husband
Minor. Samriddhi Andal	Daughter's Daughter
Minor.Vidhur Narayanan	Daughter's Son

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Relatives of Sri. P. Prabakaran:	
Sri.K. Palanichamy	Father
Smt.Rajalakshmi	Mother
Smt.D. Maheswari	Wife
Sri.P. Suryakumar	Son
Smt. J. Soumya	Son Wife
Relatives of Sri. Rajiv Parthasarathy:	
Sri. KG Parthasarathy	Father
Smt. Mahalakshmi Parthasarathy	Mother
Smt.Rajsri Vijayakumar	Wife
Minor. Samriddhi Andal Rajiv	Daughter
Minor.Vidhur Narayanan Rajiv	Son
Sri. Arjun Parthasarathy	Brother

As per our report of even date attached
For **SURI & CO.**

Chartered Accountants
Firm Registration No.: 0042835
M. SIVARAM
Partner
Membership No.211916

Place : Coimbatore
Date : 29.04.2023

For and on behalf of the Board of Directors

B. VIJAYAKUMAR
Executive Chairman
DIN: 00015583
N. RENGARAJ
Chief Financial Officer

P. PRABAKARAN
Managing Director
DIN : 01709564
M. LAKSHMI KANTH JOSHI
Senior General Manager
(Legal) and Company
Secretary ACS NO. A14273

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

₹ in Lakhs

a) Transactions during the year

S. No.	Nature of transactions	Others		Subsidiaries		Key Managerial Personnel		Relatives of key managerial personnel		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
		1	Remuneration to Key Managerial Personnel	-	-	-	-	1,055.17	1,161.62	-	-
	Sri.B. Vijayakumar	-	-	-	-	464.53	728.74	-	-	464.53	728.74
	Sri.P. Prabakaran	-	-	-	-	326.35	276.72	-	-	326.35	276.72
	Sri.Rajiv Parthasarathy	-	-	-	-	157.18	57.98	-	-	157.18	57.98
	Sri.N.Rengaraj	-	-	-	-	62.00	57.05	-	-	62.00	57.05
	Sri.Lakshminanth Joshi	-	-	-	-	45.11	41.13	-	-	45.11	41.13
2	Loan Receipts (Borrowings)	830.00	493.00	-	-	620.00	470.00	2,955.00	200.00	4,405.00	1,163.00
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel										
	L.G.Sports (P) Ltd	95.00	80.00	-	-	-	-	-	-	95.00	80.00
	LGB Auto Products (P) Limited	275.00	250.00	-	-	-	-	-	-	275.00	250.00
	LG Farm Products (P) Limited	155.00	90.00	-	-	-	-	-	-	155.00	90.00
	Super Speeds (P) Limited	305.00	23.00	-	-	-	-	-	-	305.00	23.00
	Silent Chain (P) Limited	-	50.00	-	-	-	-	-	-	-	50.00
	Key Managerial Personnel										
	Sri.B. Vijayakumar	-	-	-	-	620.00	470.00	-	-	620.00	470.00
	Relatives of Key Managerial Personnel	-	-	-	-	-	-	-	-	-	-
	Smt.Rajsri Vijayakumar	-	-	-	-	-	-	2,955.00	200.00	2,955.00	200.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

₹ in Lakhs

S. No.	Nature of transactions	Others		Subsidiaries		Key Managerial Personnel		Relatives of key managerial personnel		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
		3	Loan Repayment (Borrowing)	1,451.00	535.00	-	-	720.00	670.00	2,295.00	180.00
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel										
	L.G.Sports (P) Ltd	260.00	200.00	-	-	-	-	-	-	260.00	200.00
	LGB Auto Products (P) Limited	705.00	300.00	-	-	-	-	-	-	705.00	300.00
	LG Farm Products (P) Limited	170.00	-	-	-	-	-	-	-	170.00	-
	Silent Chain (P) Limited	95.00	-	-	-	-	-	-	-	95.00	-
	Super Speeds (P) Limited	221.00	35.00	-	-	-	-	-	-	221.00	35.00
	Key Managerial Personnel										
	Sri.B. Vijayakumar	-	-	-	-	720.00	670.00	-	-	720.00	670.00
	Relatives of Key Managerial Personnel	-	-	-	-	-	-	-	-	-	-
	Smt.Rajsri Vijayakumar	-	-	-	-	-	-	2,295.00	180.00	2,295.00	180.00
4	Inter Corporate Deposit (Loan)	-	-	500.00	-	-	-	-	-	500.00	-
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel										
	Subsidiary										
	RSAL Steel Private Limited	-	-	500.00	-	-	-	-	-	500.00	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

S. No.	Nature of transactions	Others		Subsidiaries		Key Managerial Personnel		Relatives of key managerial personnel		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
5	Fixed Deposits Receipts (Borrowings)	110.00	-	-	-	-	-	-	-	110.00	-
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel										
	Silent Chain (P) Limited	110.00	-	-	-	-	-	-	-	110.00	-
6	Fixed Deposits Repayments (Borrowings)	10.00	45.00	-	-	22.80	88.00	-	7.00	32.80	140.00
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel										
	Silent Chain (P) Limited	10.00	45.00	-	-	-	-	-	-	10.00	45.00
	Key Managerial Personnel										
	Sri.P. Prabakaran	-	-	-	-	18.80	88.00	-	-	18.80	88.00
	Sri.N.Rengaraj	-	-	-	-	4.00	-	-	-	4.00	-
	Relatives of Key Managerial Personnel										
	Minor.Vidhur Narayanan	-	-	-	-	-	-	-	-	-	-
	Smt.D.Maheswari	-	-	-	-	-	-	-	7.00	-	7.00
7	Interest Receipt	-	-	5.65	-	-	-	-	-	5.65	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

S. No.	Nature of transactions	Others		Subsidiaries		Key Managerial Personnel		Relatives of key managerial personnel		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel										
	Subsidiary										
	RSAL Steel Private Limited	-	-	5.65	-	-	-	-	-	5.65	-
8	Interest Expense	37.67	80.57	-	-	89.36	104.14	61.64	15.38	188.67	200.09
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial Personnel										
	L.G.Sports (P) Ltd	3.37	22.31	-	-	-	-	-	-	3.37	22.31
	LGB Auto Products (P) Limited	13.98	45.50	-	-	-	-	-	-	13.98	45.50
	Silent Chain (P) Limited	8.46	-	-	-	-	-	-	-	8.46	-
	L G Farm Products (P) Limited	5.64	3.86	-	-	-	-	-	-	5.64	3.86
	Others	6.22	8.90	-	-	-	-	-	-	6.22	8.90
	Key Managerial Personnel										
	Sri.B. Vijayakumar	-	-	-	-	88.98	93.42	-	-	88.98	93.42
	Sri.P. Prabakaran	-	-	-	-	0.33	10.44	-	-	0.33	10.44
	Sri.N.Rengaraj	-	-	-	-	0.05	0.28	-	-	0.05	0.28
	Relatives of Key Managerial Personnel										
	Smt.V.Rajsri	-	-	-	-	-	-	57.30	11.39	57.30	11.39
	Sri.V.Rajviridhan	-	-	-	-	-	-	0.70	-	0.70	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

S. No.	Nature of transactions	Others		Subsidiaries		Key Managerial Personnel		Relatives of key managerial personnel		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
		₹ in Lakhs									
	Minor.Samreddhi Andral	-	-	-	-	-	-	1.82	1.75	1.82	1.75
	Minor.Vidhur Narayanan	-	-	-	-	-	-	1.82	1.75	1.82	1.75
	Smt.D.Maheswari	-	-	-	-	-	-	-	0.49	-	0.49
9	Equity Investment - LGB-USA	-	-	-	-	-	-	-	-	-	-
10	Dividend Receipts	0.02	0.03	-	-	-	-	-	-	0.02	0.03
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel										
	Super Speeds Private Limited	-	-	-	-	-	-	-	-	-	-
	Others	0.02	0.03	-	-	-	-	-	-	0.02	0.03
11	Dividend Payments	793.56	719.69	-	-	553.59	518.99	349.17	378.55	1,696.32	1,617.23
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel										
	LGB Auto Products (P) Limited	296.96	262.50	-	-	-	-	-	-	296.96	262.50
	B Vijayakumar (Jeshta Family Pvt Trust)	251.15	234.00	-	-	-	-	-	-	251.15	234.00
	L G Farm Products (P) Limited	129.10	120.00	-	-	-	-	-	-	129.10	120.00
	L.G.Sports (P) Ltd	72.00	60.00	-	-	-	-	-	-	72.00	60.00
	Super Transports Private Limited	22.40	21.00	-	-	-	-	-	-	22.40	21.00
	Others	21.95	22.19	-	-	-	-	-	-	21.95	22.19

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

S. No.	Nature of transactions	Others		Subsidiaries		Key Managerial Personnel		Relatives of key managerial personnel		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
		₹ in Lakhs									
	Key Managerial Personnel										
	Sri.B.Vijayakumar	-	-	-	-	552.64	518.10	-	-	552.64	518.10
	Sri.P. Prabakaran	-	-	-	-	0.76	0.71	-	-	0.76	0.71
	Sri.N.Rengaraj	-	-	-	-	0.19	0.18	-	-	0.19	0.18
	Relatives of Key Managerial Personnel										
	Smt.Rajsri Vijayakumar	-	-	-	-	-	-	348.66	326.87	348.66	326.87
	Others	-	-	-	-	-	-	0.51	51.68	0.51	51.68
12	Rent Income	80.27	78.80	-	-	-	-	-	-	80.27	78.80
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel										
	LGB Forge Limited	58.62	56.70	-	-	-	-	-	-	58.62	56.70
	Super Transports Private Limited	11.85	11.85	-	-	-	-	-	-	11.85	11.85
	Others	9.80	10.25	-	-	-	-	-	-	9.80	10.25
13	Purchase of Materials, Spares & power	2,587.18	1,908.47	-	-	-	-	-	-	2,587.18	1,908.47
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel										
	LGB Forge Limited	1,609.38	865.31	-	-	-	-	-	-	1,609.38	865.31
	Lakshmi Printers	717.80	860.13	-	-	-	-	-	-	717.80	860.13
	G-Plast P Ltd	123.64	97.03	-	-	-	-	-	-	123.64	97.03

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

S. No.	Nature of transactions	Others		Subsidiaries		Key Managerial Personnel		Relatives of key managerial personnel		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
		₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
	Super Transports Private Limited	95.94	79.93	-	-	-	-	-	-	95.94	79.93
	Others	40.42	6.07	-	-	-	-	-	-	40.42	6.07
14	Processing/ Conversion Charges payments	296.81	234.90	-	-	-	-	-	-	296.81	234.90
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel										
	Veena Coach Products	198.84	170.02	-	-	-	-	-	-	198.84	170.02
	Super Speeds Private Limited	2.40	45.75	-	-	-	-	-	-	2.40	45.75
	L.G.Sports (P) Limited	62.32	5.10	-	-	-	-	-	-	62.32	5.10
	LGB Forge Limited	26.15	11.59	-	-	-	-	-	-	26.15	11.59
	Others	7.10	2.44	-	-	-	-	-	-	7.10	2.44
15	Sale of Materials, Stores and Service Charges	2,083.10	3,484.81	348.49	-	-	-	-	-	2,431.59	3,484.81
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel										
	Metal Forms (P) Limited	461.52	2,795.40	-	-	-	-	-	-	461.52	2,795.40
	LGB Forge Limited	1,617.35	597.44	-	-	-	-	-	-	1,617.35	597.44
	Others	4.23	91.97	-	-	-	-	-	-	4.23	91.97

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

S. No.	Nature of transactions	Others		Subsidiaries		Key Managerial Personnel		Relatives of key managerial personnel		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
		₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
	Subsidiaries										
	GFM LLC	-	-	348.49	-	-	-	-	-	348.49	-
16	Processing charges Receipts	93.78	152.22	-	-	-	-	-	-	93.78	152.22
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel										
	LGB Forge Limited	90.03	145.65	-	-	-	-	-	-	90.03	145.65
	Others	3.75	6.57	-	-	-	-	-	-	3.75	6.57
17	Sale of Property, Plant and Equipment	35.61	-	-	-	-	-	-	-	35.61	-
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel										
	LGB Forge Limited	35.61	-	-	-	-	-	-	-	35.61	-
18	Purchase of Property, Plant and Equipment	-	-	-	-	-	-	-	-	-	-
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel										

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

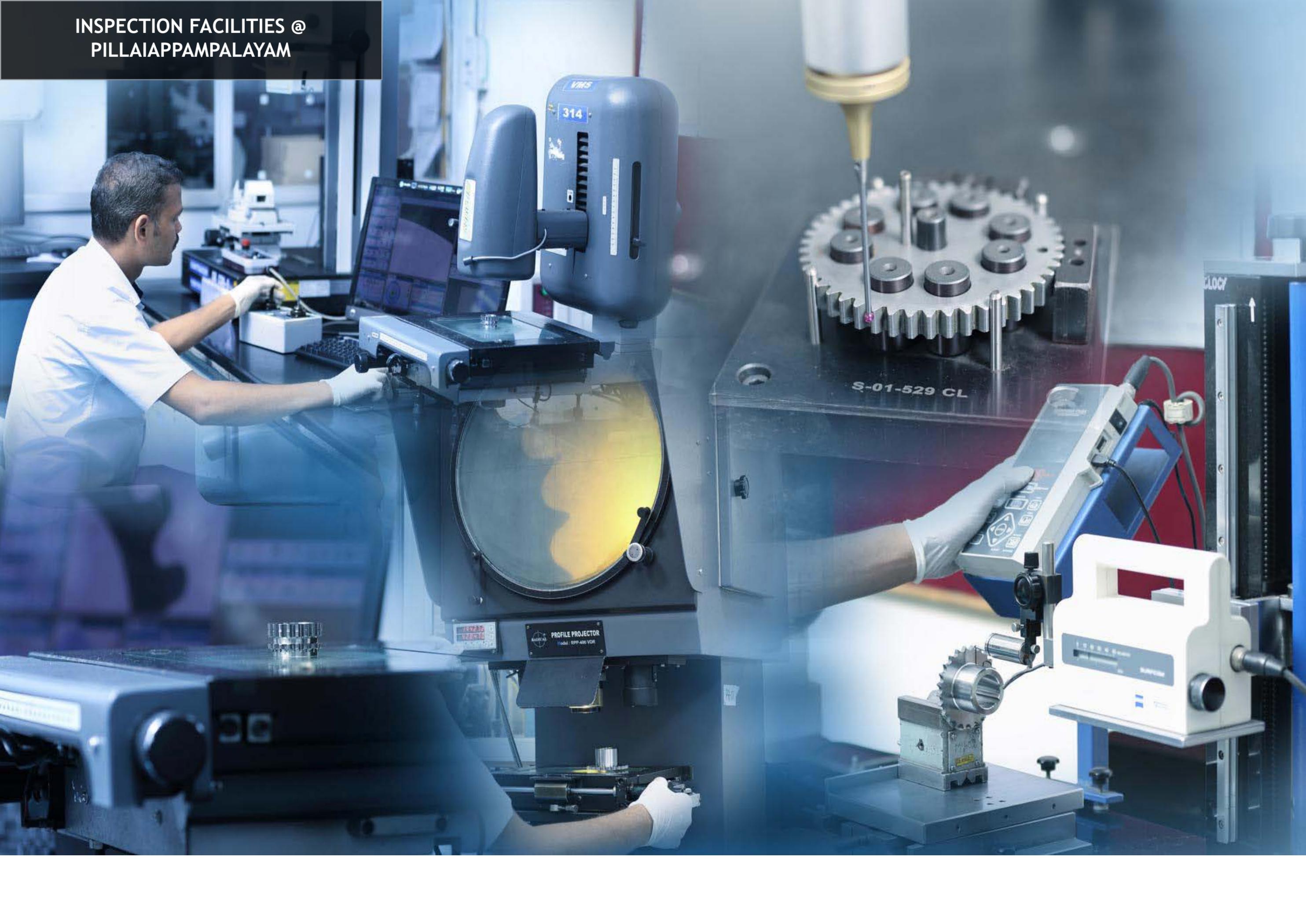
S. No.	Nature of transactions	Others		Subsidiaries		Key Managerial Personnel		Relatives of key managerial personnel		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
19	Issue of Share Warrants	484.50	-	-	-	646.00	-	484.50	-	1,615.00	-
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel										
	LGB Auto Products (P) Limited	242.25	-	-	-	-	-	-	-	242.25	-
	L G Sports (P) Limited	242.25								242.25	
	Key Managerial Personnel										
	Sri. B. Vijayakumar	-	-	-	-	646.00	-	-	-	646.00	-
	Relatives of Key Managerial Personnel										
	Smt. Rajsri Vijayakumar	-	-	-	-	-	-	484.50	-	484.50	-
	Total	8,893.50	7,732.49	348.49	-	3,706.92	3,012.75	6,145.31	780.93	19,094.22	11,526.17

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

b) Balance outstanding at the end of the year

S. No.	Nature of transactions	Others		Subsidiaries		Key Managerial Personnel		Relatives of key managerial personnel		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
1	Receivable balance	252.56	1,361.95	63.43	-	-	-	-	-	315.99	1,361.95
	LGB Forge Limited	222.02	353.30	-	-	-	-	-	-	222.02	353.30
	Metal Forms (P) Limited	29.30	999.12	-	-	-	-	-	-	29.30	999.12
	Others	1.24	9.53	-	-	-	-	-	-	1.24	9.53
	GFM LLC	-	-	63.43	-	-	-	-	-	63.43	-
2	Payable balance	32.57	328.07	25.98	-	-	-	-	-	58.55	328.07
	LGB Forge Limited	7.51	242.22	-	-	-	-	-	-	7.51	242.22
	Others	25.06	85.85	-	-	-	-	-	-	25.06	85.85
	RSAL Steel Private Limited	-	-	25.98	-	-	-	-	-	25.98	-
3	Unsecured borrowings balance	242.00	863.00	-	-	-	100.00	760.00	100.00	1,002.00	1,063.00
	L G Sports (P) Limited	15.00	180.00	-	-	-	-	-	-	15.00	180.00
	LGB Auto Products (P) Limited	35.00	465.00	-	-	-	-	-	-	35.00	465.00
	Silent Chain (P) Limited	-	95.00	-	-	-	-	-	-	-	95.00
	Super Speeds Private Limited	107.00	23.00	-	-	-	-	-	-	107.00	23.00
	L G Farm Products (P) Limited	85.00	100.00	-	-	-	-	-	-	85.00	100.00
	Sri.B. Vijayakumar	-	-	-	-	-	100.00	-	-	-	100.00
	Smt.Rajsri Vijayakumar	-	-	-	-	-	-	760.00	100.00	760.00	100.00

INSPECTION FACILITIES @
PILLAIAPPAMPALAYAM



INDEPENDENT AUDITOR’S REPORT

TO THE MEMBERS OF L.G.BALAKRISHNAN & BROS LIMITED

Report on the Consolidated Ind AS Financial Statements:

Opinion:

We have audited the accompanying Consolidated Financial Statements of M/s. L.G.BALAKRISHNAN & BROS LIMITED, Coimbatore (hereinafter referred to as “the Holding Company”) and its subsidiaries (the Holding Company, its subsidiaries together referred to as the “the Group”) comprising the Balance Sheet as at 31st March 2024, the Consolidated Statement of Profit and Loss (Including Other Comprehensive Income), the Consolidated Statement of Cash Flows, and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as “the Consolidated Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us and based on the other financial information of the subsidiaries, referred to in Other Matters paragraph below, the aforesaid Consolidated Financial Statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2024, and its consolidated profit and total comprehensive income, its consolidated cash flows and consolidated statement of changes in equity for the year ended on that date in all material respects in accordance with the Indian Accounting Standards and other accounting principles generally accepted in India.

Basis for Opinion:

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified u/s 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the Audit of the Consolidated Financial Statements 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 consolidated financial statements 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 ICAI’s Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on Consolidated Financial Statements.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our audit report.

S.No	Key Audit Matters	Auditor’s Response
1	Acquisition of M/s. RSAL Steel Private Limited through Corporate Insolvency and Resolution Process - The Hon’ble National Company Law Tribunal (“NCLT”) vide its order dated 09.01.2024 has approved the Resolution Plan and the takeover of M/s. RSAL Steel Private Limited was completed during the year. Pursuant to the order, the company paid ₹ 3636.77 lakhs to the M/s. RSAL Steel Private Limited had become a wholly owned subsidiary of the company. In our opinion, we have considered the matter to be a Key Audit Matter as the value of investment in the subsidiary is significant.	<p>We have verified the order dt. 09.01.2024 issued by Hon’ble NCLT and the resolution plan submitted by the company. We have also verified the amount invested by the company and ensured its compliance with the Hon’ble NCLT order.</p> <p>We performed substantive testing of the acquisition of the shares in M/s. RSAL Steel Private Limited including the apportionment of the consideration paid by the company.</p> <p>We have performed the substantive verification of the value disclosed as Goodwill and the treatment of pre-acquisition profits and post-acquisition profits in the Consolidated Financial Statements.</p> <p>We have reviewed the disclosures made by the company in this regard in the financial statements for its compliance with Ind AS and Schedule-III of the Act.</p>
2	Allotment of share warrants to the promoters on preferential basis - The Company had issued 5,00,000 share warrants to its promoters on preferential basis at a price of ₹ 1292 per share. The Promoters had paid 25% of the warrant issue price at the time of subscription amounting to ₹ 1615 lakhs and the balance 75% will be paid at the time of exercising the rights. In our opinion, we have considered the matter to be a Key Audit Matter as the value of transaction is significant and involves related parties.	<p>We have verified the Offer Letter, special resolution passed at the Extra Ordinary General Meeting (EGM) dt. 03.02.2024, the minutes of the EGM and the scrutiniser report.</p> <p>We have verified the compliance of the provisions of the Companies Act 2013 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018 with respect to the allotment of warrants, fixation of the price and the statutory procedures to be followed before and after the approval of the warrants at the EGM.</p> <p>We have performed substantive audit procedures on the allotment of warrants and receipt of funds from the promoters at the time of application.</p> <p>We have reviewed the disclosures made by the company in this regard in the Financial statements for its compliance with Ind AS and Schedule-III of the Act.</p>

Information other than the consolidated Financial Statements and the auditor’s report thereon:

The Holding Company’s Board of directors is responsible for the preparation of other information. The other information comprises the information included in the management discussion and analysis, Board’s Report including annexures to Board’s Report, Business responsibility report, Corporate Governance and Shareholder’s information, but does not include the consolidated financial statements and our auditor’s report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we required to report the fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Ind AS Financial Statements:

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group in accordance with the Accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act 2013, read with relevant rules issued there under. 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 the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, 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 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 Ind AS Financial Statements:

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements 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 Ind AS financial statements.

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 Ind AS financial statements, 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to standalone Ind AS financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management'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 statements 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 consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and event in a manner that achieves fair presentation.
- In accordance with SA 600, we are responsible for obtaining sufficient appropriate audit evidence regarding the financial information of the group, including its component entities. This involves assessing the competence and independence of component auditors, coordinating the audit work, evaluating the consolidation process, and forming an opinion on the group financial statements based on the audit evidence obtained.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements 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 statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of M/s. RSAL Steel Private Limited (Indian Subsidiary), whose financial statements reflect assets of ₹ 3,550.56 lakhs as at 31st March 2024, total revenue of ₹ 556.43 lakhs, total net loss of ₹ 80.25 lakhs, total comprehensive loss of ₹ 5.80 Lakhs and cash outflows (net) of ₹ 53.01 lakhs for the period from 9th January 2024 to 31st March 2024, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose report have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of other auditors and the procedures performed by us as stated in the above paragraph.

We did not audit the financial statements/financial information of the foreign subsidiaries whose financial statements/financial information reflect total assets of ₹ 9,538.94 lakhs as at 31st December 2023, total revenue of ₹ 11,433 lakhs, total profit of ₹ 294.36 lakhs and net cash outflows of ₹ 3.63 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial

statements, in so far as it relates to the amounts and disclosures included in the respect of these subsidiaries and our report in terms of Section 143(3) & Section 143(11) of the Act in so far as it relates to the aforesaid subsidiaries is solely based on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/financial information are not material to the Group.

Our Opinion on the Consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor and the financial statements/financial information certified by the management.

Report on Other Legal and Regulatory Requirements:

1. As required by Section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of subsidiaries as noted in the Other Matter paragraph, we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.
 - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2024 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group are disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company incorporated in India and the operating effectiveness of such controls of the Holding Company incorporated in India, refer to our separate Report in "Annexure A".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Financial Statements has disclosed the impact of pending litigations on the consolidated financial position of the Group - Refer Note No. 29 to the Consolidated Financial Statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary Companies.
- iv.
 - a. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v.
 - (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
 - (b) As stated in Note No. 10(iv)(b) to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act to the extent it applies to proposal of dividend.
- vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the Auditor's Reports on the financial statements of the Indian subsidiary as at and for the year ended March 31, 2024, included in the Consolidated Financial Statements of the Group, we have not reported any qualifications or adverse remarks.

Place: Coimbatore
Date: 29.04.2024

For **SURI & CO.**
Chartered Accountants
Firm Registration No.: 0042835
M. SIVARAM
Partner
Membership No.: 211916
UDIN: 24211916BKATDM4695

**“Annexure - A” to the Independent Auditor’s Report to the Members of L.G.BALAKRISHNAN & BROS LIMITED
Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies
Act, 2013:**

In conjunction with our audit of the Consolidated Financial Statements of L. G. BALAKRISHNAN & BROS LIMITED (“the Holding Company”), as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India as of that date.

Management’s Responsibility for the Internal Financial Controls:

The respective Board of Directors of the Holding Company and its subsidiary companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements criteria established by the Holding Company and its subsidiary companies incorporated in India considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility:

Our responsibility is to express an opinion on the Holding Company’s and its subsidiary companies incorporated in India, internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company and its subsidiary companies incorporated in India, internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statement:

A Company’s internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to financial statements includes those policies and procedures that:-

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial Statements.

Inherent Limitations of Internal Financial controls with reference to financial statement:

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion:

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company incorporated in India, have in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2024, based on the internal control with reference to financial statements criteria established by the Holding Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Coimbatore

Date: 29.04.2024

For **SURI & CO.**
Chartered Accountants
Firm Registration No.: 0042835
M. SIVARAM
Partner
Membership No.: 211916
UDIN: 24211916BKATDM4695

CONSOLIDATED BALANCE SHEET AS AT 31.03.2024

₹ in Lakhs

Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
A ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipments	1	53,075.24	45,926.14
(b) Capital work-in-progress	1	4,700.88	3,166.86
(c) Investment Property	1	49.18	50.90
(d) Goodwill on consolidation		2,609.15	1,718.53
(e) Right of use Asset	1	1,386.09	886.98
(f) Other Intangible Assets	1	144.94	134.30
(g) Financial Assets			
(i) Investments	2	17,624.95	13,367.12
(ii) Other financial assets	3	30,832.45	14,348.83
(h) Other non-current assets	4	2,073.58	1,474.18
		1,12,496.46	81,073.84
2 Current assets			
(a) Inventories	5	38,914.34	40,005.67
(b) Financial assets			
(i) Trade receivables	6	30,049.16	27,234.65
(ii) Cash and cash equivalents	7A	1,703.88	1,369.86
(iii) Bank balance other than (ii) above	7B	34,300.48	33,387.59
(iv) Other financial assets	8	2,660.99	1,132.85
(c) Current tax Asset		206.62	-
(d) Other current assets	9	3,334.25	2,286.49
		1,11,169.72	1,05,417.11
3 Asset held for Sale	1	-	814.37
Total Assets		2,23,666.18	1,87,305.32
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	10	3,139.24	3,139.24
(b) Other Equity	11	1,60,978.84	1,33,393.79
Equity Attributable to Owners of the Company		1,64,118.08	1,36,533.03
Non-controlling interest		252.92	237.28
Total		1,64,371.00	1,36,770.31

CONSOLIDATED BALANCE SHEET AS AT 31.03.2024

₹ in Lakhs

Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
2 Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	1,850.81	1,684.04
(ia) Lease liabilities		1,129.98	683.14
(b) Provisions	13	1,532.51	1,491.76
(c) Deferred tax liabilities (net)		1,948.46	1,683.53
		6,461.76	5,542.47
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	8,097.83	7,663.82
(ia) Lease liabilities		443.05	393.27
(ii) Trade payables			
- total outstanding dues of micro & small enterprises	15	1,460.51	2,182.66
- total outstanding dues other than micro & small enterprises	15	24,353.26	18,789.31
(iii) Other financial liabilities	16	15,390.20	13,370.79
(b) Other current liabilities	17	2,980.46	2,449.14
(c) Provision	18	50.33	40.45
(d) Current tax Liabilities		57.78	103.10
		52,833.42	44,992.54
Total Equities and Liabilities		2,23,666.18	1,87,305.32

See accompanying notes forming part of the Financial Statements

As per our report of even date attached

 For **SURI & CO.**

Chartered Accountants

Firm Registration No.: 0042835

M. SIVARAM

Partner

Membership No.211916

Place : Coimbatore

Date : 29.04.2024

For and on behalf of the Board of Directors

B. VIJAYAKUMAR

Executive Chairman

DIN: 00015583

N. RENGARAJ

Chief Financial Officer

P. PRABAKARAN

Managing Director

DIN : 01709564

M. LAKSHMI KANTH JOSHI

Senior General Manager

(Legal) and

Company Secretary

ACS NO. A14273

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2024

₹ in Lakhs

Particulars	Note No.	For the year ended 31.03.2024	For the year ended 31.03.2023
Revenue			
1 Revenue from Operations	19	2,34,604.59	2,20,297.79
2 Other Income	20	4,942.60	2,591.63
3 Total Income (1 + 2)		2,39,547.19	2,22,889.42
4 Expenses:			
(a) Cost of materials consumed	21 a	1,05,162.81	1,02,590.26
(b) Changes in inventories of finished goods, work-in progress and stock-in-trade	21 b	1,650.24	(17.02)
(c) Employee benefits expense	22	36,160.12	31,982.38
(d) Finance costs	23	807.72	660.39
(e) Depreciation and amortisation expense		7,795.42	7,946.79
(f) Other expenses	24	52,180.21	47,725.43
Total Expenses		2,03,756.52	1,90,888.23
5 Profit/(Loss) before exceptional items and tax (3-4)		35,790.67	32,001.19
6 Exceptional items		680.67	2,029.48
7 Profit/(Loss) before tax (5+6)		36,471.34	34,030.67
8 Tax expense / (benefit):			
(a) Current tax / MAT tax expense	25	9,581.39	8,705.75
(b) Deferred tax	26	(259.63)	92.12
Net tax expense		9,321.76	8,797.87
9 Profit/(Loss) for the period (7 - 8)		27,149.58	25,232.80
10 Share in Profit of associate		-	-
11 Profit/(Loss) after tax before share of profit of associate		27,149.58	25,232.80
12 Net profit attributable to:			
Owners		27,134.21	25,193.06
Non Controlling interest		15.37	39.74
13 Other Comprehensive Income (Net of taxes)			
(A) (i) Items that will not be reclassified to Profit or Loss Account			
(1) Re-measurement of defined benefit plans		157.01	(140.91)
(2) Equity instruments through Other Comprehensive Income		4,198.52	3,183.71
(ii) Income-tax relating to Items that will not be reclassified to Profit and Loss Account		(524.56)	(259.80)
(B) Items that will be reclassified to Profit or Loss Account		27.82	-
14 Total Comprehensive income for the period		31,008.37	28,015.80
15 Earnings per share (Face value of ₹ 10/- each)			
(a) Basic		86.44	80.25
(b) Diluted		86.44	80.25

See accompanying notes forming part of the Financial Statements

 As per our report of even date attached For and on behalf of the Board of Directors
 For **SURI & CO.**

 Chartered Accountants
 Firm Registration No.: 0042835

M. SIVARAM
 Partner
 Membership No.211916

B. VIJAYAKUMAR
 Executive Chairman
 DIN: 00015583
N. RENGARAJ
 Chief Financial Officer

P. PRABAKARAN
 Managing Director
 DIN : 01709564
M. LAKSHMI KANTH JOSHI
 Senior General Manager
 (Legal) and Company
 Secretary ACS NO. A14273

 Place : Coimbatore
 Date : 29.04.2024

STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED 31.03.2024

₹ in Lakhs

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
A Cash flow from operating activities		
Net Profit before Tax	36,471.34	34,030.67
Adjustments for:		
Depreciation	7,795.42	7,946.79
Provision for Doubtful Debts	(125.70)	184.82
Profit/Loss on sale of assets	304.20	(221.05)
Assets condemned/Written off	29.67	28.16
Interest and Finance Charges	807.72	660.39
Interest Income	(4,276.02)	(2,081.92)
Dividend Income	(49.84)	(29.16)
Net unrealised exchange differences	(91.16)	(160.76)
	4,394.29	6,327.27
Operating profit before working capital changes	40,865.63	40,357.94
Changes in Working Capital		
Provisions - Non Current	(116.25)	(87.10)
Other Financial Assets - Non Current	(120.11)	27.52
Other Non Current Assets	(599.40)	(152.74)
Inventories	1,091.33	3,572.17
Trade Receivables	(2,576.27)	2,114.90
Other Financial Assets - Current	(200.75)	(3.01)
Other Current Assets	(1,047.76)	1,137.50
Trade Payables	4,271.90	(6,829.25)
Other financial liabilities	1,998.36	(1,038.36)
Current Liabilities	531.33	(102.72)
Provisions - Current	9.88	9.03
	3,242.26	(1,352.06)
Cash generated from operations	44,107.89	39,005.88
Income tax paid, net of refunds received	(9,833.33)	(8,611.41)
Net Cash generated from operating activities (A)	34,274.56	30,394.47
B Cash flow from Investing activities		
Capital expenditure, including capital advances	(16,166.08)	(8,082.75)
Investment in Others	(59.31)	-
Proceeds from sale of fixed assets	563.42	529.64
Proceeds from sale of investments	-	246.92
Bank Balances not considered as cash and cash equivalents	(17,276.41)	(23,371.67)
Dividend income	49.84	29.16
Interest Income	2,948.63	1,197.50
Net cash used in Investing activities (B)	(29,939.91)	(29,451.20)

STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED 31.03.2024

₹ in Lakhs

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
C Cash flow from financing activities		
Interest and Finance Charges	(705.67)	(547.04)
Dividend Paid	(5,001.87)	(4,689.68)
Proceeds from Share warrant	1,615.00	-
Lease payments	(508.85)	(491.31)
Borrowings - Current and Non-current (Net)	600.77	(51.32)
Net cash used in financing activities (C)	(4,000.62)	(5,779.35)
Net (decrease)/increase in cash and cash equivalents (A) + (B) + (C)	334.02	(4,836.08)
Cash and Cash Equivalents at the beginning of the year	1,369.86	6,205.94
Cash and Cash Equivalents at the end of the year	1,703.88	1,369.86

See accompanying notes forming part of the Financial Statements

As per our report of even date attached
For **SURI & CO.**

For and on behalf of the Board of Directors

Chartered Accountants
Firm Registration No.: 004283S
M. SIVARAM
Partner
Membership No.211916

B. VIJAYAKUMAR
Executive Chairman
DIN: 00015583

N. RENGARAJ
Chief Financial Officer

P. PRABAKARAN
Managing Director
DIN : 01709564

M. LAKSHMI KANTH JOSHI
Senior General Manager
(Legal) and
Company Secretary
ACS NO. A14273

Place : Coimbatore
Date : 29.04.2024

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
Balance as at the beginning of the year	3,139.24	3,139.24
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the year	3,139.24	3,139.24
Changes in equity share capital during the year	-	-
Balance as at end of the year	3,139.24	3,139.24

B. Other Equity

(₹ in Lakhs)

For the Year ended 31 March, 2024

Particulars	Reserves & Surplus				Other Comprehensive Income Equity Instruments at Fair Value through OCI	Money received against Share Warrants*	Total
	Securities Premium Reserve	General Reserve	Foreign Currency Translation Reserve	Retained Earnings			
Balance as at 01.04.2023	1,530.99	1,10,000.00	(198.36)	13,156.69	8,904.48	-	1,33,393.79
Changes in accounting policies and prior period errors	-	-	-	-	-	-	-
Restated Balance as at 01.04.2023	1,530.99	1,10,000.00	(198.36)	13,156.69	8,904.48	-	1,33,393.79
Profit for the year	-	-	-	27,134.21	-	-	27,134.21
Other Comprehensive Income / (losses)	-	-	-	116.01	3,714.94	-	3,830.95
Dividends	-	-	-	(5,022.93)	-	-	(5,022.93)
Money received against Share warrant	-	-	-	-	-	1,615.00	1,615.00
Additions during the year	-	-	27.82	-	-	-	27.82
Transfer to Reserves	-	20,000.00	-	(20,000.00)	-	-	-
Balance as at 31.03.2024	1,530.99	1,30,000.00	(170.54)	15,383.97	12,619.42	1,615.00	1,60,978.84

* Refer Note 10 (vii) to the Consolidated Financial Statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

For the Year ended 31 March, 2023

(₹ in Lakhs)

Particulars	Reserves & Surplus				Other Comprehensive Income Equity Instruments at Fair Value through OCI	Money received against Share Warrants*	Total
	Securities Premium Reserve	General Reserve	Foreign Currency Translation Reserve	Retained Earnings			
Balance as at 01.04.2022	1,530.99	90,000.00	(217.76)	12,604.73	6,189.24	-	1,10,107.20
Changes in accounting policies and prior period errors	-	-	-	-	-	-	-
Restated Balance as at 01.04.2022	1,530.99	90,000.00	(217.76)	12,604.73	6,189.24	-	1,10,107.20
Profit for the year	-	-	-	25,193.06	-	-	25,193.06
Other Comprehensive Income / (losses)	-	-	19.40	(105.45)	2,888.45	-	2,802.41
Dividends	-	-	-	(4,708.86)	-	-	(4,708.86)
Gain on Sale of Shares transferred to Surplus	-	-	-	173.21	(173.21)	-	-
Transfer to Reserves	-	20,000.00	-	(20,000.00)	-	-	-
Balance as at 31.03.2023	1,530.99	1,10,000.00	(198.36)	13,156.69	8,904.48	-	1,33,393.79

* Refer Note 10 (vii) to the Consolidated Financial Statements.

See accompanying notes forming part of the Financial Statements

As per our report of even date attached
For **SURI & CO.**

Chartered Accountants
Firm Registration No.: 004283S
M. SIVARAM
Partner
Membership No.211916

Place : Coimbatore
Date : 29.04.2024

For and on behalf of the Board of Directors

B. VIJAYAKUMAR
Executive Chairman
DIN: 00015583
N. RENGARAJ
Chief Financial Officer

P. PRABAKARAN
Managing Director
DIN : 01709564
M. LAKSHMI KANTH JOSHI
Senior General Manager
(Legal) and
Company Secretary
ACS NO. A14273



SPROCKETS



FORGED PARTS



FINE BLANKED PART

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

1 Corporate Information

L.G.Balakrishnan & Bros Limited (CIN - L29191TZ1956PLC000257) was found in 1937 as a transport Company and has evolved today as a major manufacturer of chains, sprockets and metal formed parts for automotive applications. Its business segments include transmission and metal forming. Its transmission products include chains, sprockets, tensioners, belts and brake shoe. It also offers metal forming products consisting of fine blanking for precision sheet metal parts, machined components and wire drawing products for internal use as well as for other chain manufacturing plants, spring steel suppliers and umbrella manufacturers. The Company's products are marketed under the "Rolon" brand. LGB has manufacturing units spread across Tamil Nadu, Pondicherry, Maharashtra, Uttarakhand, Karnataka, Haryana and Rajasthan.

2 Basis of preparation of Financial Statements

Basis of preparation and presentation

These Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non current classification.

- (a) An asset is treated as Current when it is -
 - Expected to be realised or intended to be sold or consumed in normal operating cycle;
 - Held primarily for the purpose of trading;
 - Expected to be realised within twelve months after the reporting period, or
 - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.
- (b) A liability is current when:
 - It is expected to be settled in normal operating cycle;
 - It is held primarily for the purpose of trading;
 - It is due to be settled within twelve months after the reporting period, or
 - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities

There were no significant events that occurred after the Balance Sheet date apart from the ones mentioned in Material Changes and commitments affecting the financial position between the end of the fiscal and date of the report in the Board's report.

The Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- a) Derivative financial instruments
- b) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Principles of consolidation:

The consolidated Financial Statements relate to L.G.Balakrishnan & Bros Limited (the 'Company') and its subsidiary companies. The consolidated Financial Statements have been prepared on the following basis:

- (i) The Financial Statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the Company i.e., 31 March, 2024, except for certain subsidiary companies as mentioned in (vi) below for which Financial Statements as on reporting date are not available. These have been consolidated based on latest available Financial Statements. Necessary adjustments have been made, for the effects of significant transactions and other events between the reporting dates of the such Financial Statements and these consolidated Financial Statements.
- (ii) The Financial Statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions and resultant unrealized profits or losses, unless cost cannot be recovered have been fully eliminated.
- (iii) The excess of cost to the Group of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies were made, is recognised as 'Goodwill' being an asset in the consolidated Financial Statements and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiary companies as

on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus', in the consolidated Financial Statements. The 'Goodwill' / 'Capital Reserve' is determined separately for each subsidiary Company and such amounts are not set off between different entities.

- (iv) In case of the foreign subsidiary, being non-integral operations, revenue items are consolidated at the average rate prevailing during the year. All the assets and liabilities are converted at the rate prevailing at the year end. Any exchange difference arising on consolidation is recognized in the exchange fluctuation reserve.
- (v) Minority interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit/loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to the shareholders of the Company.
- (vi) The following subsidiary companies have been considered in the preparation of consolidated Financial Statements:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Sl. No.	Name of Subsidiary Company	Relationship	Country of Incorporation	Ownership held by	Reporting date of the Financial Statements used in consolidation	% of holding directly or indirectly through subsidiary as at	
						31.03.2024	31.03.2023
1	LGB- USA INC	Subsidiary	USA	L.G.Balakrishnan & Bros Ltd	31.12.2023	96.00%	96.00%
2	GFM Acquisition LLC (Formerly known as GFM Corporation)	Step-down Subsidiary	USA	LGB-USA, INC	31.12.2023	98.47%	98.47%
3	GFM LLC	Step-down Subsidiary	USA	GFM Acquisition LLC	31.12.2023	100.00%	100.00%
4	RSAL Steel Private Limited	Subsidiary	INDIA	L.G.Balakrishnan & Bros Ltd	31.03.2024	100.00%	-

Use of estimates

The preparation of Financial Statements in conformity with Generally Accepted Accounting Principles (GAAP) requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the Financial Statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Functional and presentation currency

“These Financial Statements are presented in Indian Rupees (INR), which is the Company’s functional currency. All financial information presented in INR has been rounded to the nearest Lakhs (up to two decimals).

The Financial Statements are approved for issue by the Company’s Board of Directors on 29th April, 2024.

2A Property, Plant and Equipment (PPE), Intangible Assets and Investment Properties

The residual values and estimated useful life of PPEs, Intangible Assets and Investment Properties are assessed by the technical team at each reporting

date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement and maintenance support. Upon review, the Management accepts the assigned useful life and residual value for computation of depreciation/amortisation. Also, Management judgement is exercised for classifying the asset as investment properties or vice versa.

Current tax

Calculations of income taxes for the current period are done based on applicable tax laws and Management’s judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

Fair value

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, Management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, Management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm’s length transaction at the reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Impairment of Trade Receivables

The impairment for trade receivables are done based on assumptions about risk of default and expected loss rates. The assumptions, selection of inputs for calculation of impairment are based on Management judgement considering the past history, market conditions and forward looking estimates at the end of each reporting date.

Impairment of Non-financial assets (PPE/ Intangible Assets/ Investment Properties)

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on Management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

Defined Benefit Plans and Other long term employee benefits

The cost of the defined benefit plan and other long term employee benefits, and the present value of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long term nature, this obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Provisions and contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore vary from the figure estimated at end of each reporting period.

3 Significant Accounting Policies

Sale of goods

Revenue from sale of goods is recognised when control of the goods is transferred to the Customers. Revenue towards satisfaction of performance obligation is measured by the amount of transaction price [net of variable consideration] allocated to that performance obligation. The transaction price of goods sold, and services rendered is net of variable consideration of account of various discount and schemes offered by the Company as a part of Contract. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped based on the INCO terms.

Income from Service

Income from sale of services is recognised when the services are rendered as per the terms of the agreement and when no significant uncertainty as to its determination or realisation exists.

Interest Income

Interest income is recognised on time proportion basis taking into account the amount outstanding and the effective interest rate (EIR) method.

Dividend income

Dividend income is recognized when the Company’s right to receive dividend is established on the reporting date, which is generally when shareholders approve the dividend.

Rental income

Rental income from operating lease on investment properties is recognised on a straight line basis over the term of the relevant lease, if the escalation is not a compensation for increase in cost inflation index.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

RODTEP and other export incentives

The products of the Company are eligible for various export incentives from the Government of India. Such incentives are recognised as other operating revenue when there is a reasonable assurance that the Company will comply with all the necessary conditions attached to that.

b) Property, plant and equipment and capital work in progress

Property, plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The actual cost capitalised includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction / installation stage. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs of a qualifying asset, if the recognition criteria are met.

Advances paid towards the acquisition of tangible assets outstanding at each balance sheet date, are disclosed as capital advances under other non-current assets and the cost of the tangible assets not ready for their intended use before such date, are disclosed as capital work in progress.

All material/ significant components have been identified and have been accounted separately. The useful life of such component are analysed independently and wherever components are having different useful life other than plant, the useful life of components are considered for calculation of depreciation.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

c) Depreciation on property, plant and equipment

Depreciation for the Indian Undertaking/ Divisions:

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value.

Depreciation is provided on written down value method on buildings, furniture and fixtures, computers and on straight line method on other assets over the useful lives specified in Schedule II to the Companies Act, 2013 except for the following items, where useful life is estimated on technical assessment, past trends and differ from those provided in Schedule II of the Companies Act, 2013.

Assets Category	Estimated useful life (in years)
Tools and dies	5
Leasehold land	Over the Lease Period
Windmill	25

Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion/ disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded/ sold. Additions to fixed assets, costing ₹ 5000 each or less are fully depreciated retaining its residual value.

Depreciation for the Foreign Division/s:

Depreciation is computed using the straight-line method over the assets' estimated useful lives, which are as follows:

Assets Category	Estimated useful life (in years)
Buildings	40 Years
Furniture & Fixtures	5 - 10 years
Computer Equipment	3 - 10 years
Machinery and Equipment	3 - 10 years
Small Tools	3 - 10 years

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of a separately acquired intangible asset comprises (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and (b) any directly attributable cost of preparing the asset for its intended use.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

e) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes).

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with

Ind AS 40 - Investment Property requirements for cost model.

Company depreciates investment property as per the useful life prescribed in Schedule II of the Companies Act, 2013.

Though the Company measures investment property using the cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation applying a valuation model.

f) Inventories

Inventories are valued at lower of cost and net realizable value. Cost includes all direct costs and applicable production overheads, to bring the goods to the present location and condition.

- i) Costs of raw materials, packing materials, tools and dies and Store & Spare Parts are computed on weighted average basis.
- ii) Costs of finished goods and semi-finished goods are computed on weighted average basis.
- iii) Agriculture Produce is valued at estimate realizable value.
- iv) Cost of stock held for trading are computed on weighted average basis.

g) Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value. However, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are also added to the cost of the financial asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Trade receivables that do not contain a significant financing component are measured at transaction price

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified on the basis of their contractual cash flow characteristics and the entity’s business model of managing them.

Financial assets are classified into the following categories:

- Financial Assets at amortised cost
- Financial Assets at fair value through other comprehensive income (FVTOCI)
- Financial Assets, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial Assets at amortised cost

The Company classifies a Financial Asset as at amortised cost, if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

Financial Asset at FVTOCI

The Company classifies a Financial Asset at FVTOCI, if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset’s contractual cash flows represent SPPI.

Financial Assets included within the FVTOCI category are measured as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes finance income, impairment losses and reversals and foreign exchange gain or loss in the profit and loss statement. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI Financial Asset is reported as interest income using the EIR method.

Financial Asset at FVTPL

The Company classifies all Financial Assets, which do not meet the criteria for categorization as at amortized cost or as FVTOCI, as at FVTPL.

Financial Assets included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

All Other Equity investments

All Other Equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Where the Company makes an irrevocable election of classifying the equity instruments at FVTOCI, it recognises all subsequent changes in the fair value in OCI, without any recycling of the amounts from OCI to profit and loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Financial assets are measured at FVTPL except for those financial assets whose contractual terms give rise to cash flows on specified dates that represents SPPI, are measured as detailed below depending on the business model:

Classification	Name of the financial asset
Amortised cost	Trade receivables, deposits, interest receivable, unbilled revenue and other advances recoverable in cash.
FVTOCI	Equity investments in companies other than subsidiaries and associates if an option exercised at the time of initial recognition.
FVTPL	Other investments in equity instruments, mutual funds, forward exchange contracts (to the extent not designated as a hedging instrument).

Derecognition

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates

if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company’s continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are measured at amortised cost e.g., loans, debt securities, deposits, receivables and bank balance.
- Financial assets that are measured at FVTOCI
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

The Company follows ‘simplified approach’ for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss (ECL) at each reporting date, right from its initial recognition.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL and as at amortised cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at fair value through profit or loss, are subsequently measured at higher of (i) The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 - Financial Instruments and (ii) The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115 - Revenue from Contracts with Customers.

Derivative financial instruments

The Company holds derivative financial instrument foreign exchange forward contracts

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

(a) Derivatives fair valued through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets / liabilities in this category are presented as current assets / current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance Sheet date.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition

of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

h) Foreign currency transactions and translations

Transactions and balances

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. However, for practical reasons, the Company uses an average rate, if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

The Company enters into forward exchange contract to hedge its risk associated with Foreign currency fluctuations. The premium or discount arising at the inception of a forward exchange contract is amortized as expense or income over the life of the contract. In case of monetary items which are covered by forward exchange contract, the difference between the year end rate and rate on the date of the

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

contract is recognized as exchange difference. Any profit or loss arising on cancellation of a forward exchange contract is recognized as income or expense for that year.

i) Borrowing Costs

Borrowing cost include interest computed using Effective Interest Rate method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction, production of a qualifying asset are capitalised as part of the cost of that asset which takes substantial period of time to get ready for its intended use. The Company determines the amount of borrowing cost eligible for capitalisation by applying capitalisation rate to the expenditure incurred on such cost. The capitalisation rate is determined based on the weighted average rate of borrowing cost applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing cost that the Company capitalises during the period does not exceed the amount of borrowing cost incurred during that period. All other borrowings costs are expensed in the period in which they occur.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

j) Government grants

Government grants are recognised at fair value where there is a reasonable assurance

that the grant will be received and all the attached conditions are complied with.

In case of revenue related grant, the income is recognised on a systematic basis over the period for which it is intended to compensate an expense and is disclosed under "Other operating revenue" or netted off against corresponding expenses wherever appropriate.

k) Taxes**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Where there is deferred tax assets arising from carry forward of unused tax losses and unused tax created, they are recognised to the extent of deferred tax liability.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

l) Retirement and other employee benefits**Short-term employee benefits**

A liability is recognised for short-term employee benefit in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

Other long term employee benefits

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by the employees up to the reporting date.

m) Leases

The Company has adopted Ind AS 116 “Leases” with effect from 1st April 2019. The Company has measured Right-to-use Asset and Lease Liability based on the remaining lease period and payments discounted using the incremental borrowing rate as at the date of initial application.

The Company’s lease asset classes primarily consist of leases for Land and Buildings. The Company assesses whether a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset (“ROU”) and corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straightline basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The re-measurement normally also adjusts the leased assets. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cashflows.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

n) Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or cash-generating unit’s (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

o) Provisions, contingent liabilities and contingent asset**Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are discounted, if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Necessary provision for doubtful debts, claims, etc., are made, if realisation of money is doubtful in the judgement of the Management.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence

will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Contingent liabilities are disclosed separately.

Contingent assets

Where an inflow of economic benefits is probable, the Company discloses a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect.

Contingent assets are disclosed but not recognised in the Financial Statements.

p) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid investments that are readily convertible into cash, which are subject to insignificant risk of changes in value.

q) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Bank borrowings are generally considered to be financing activities.

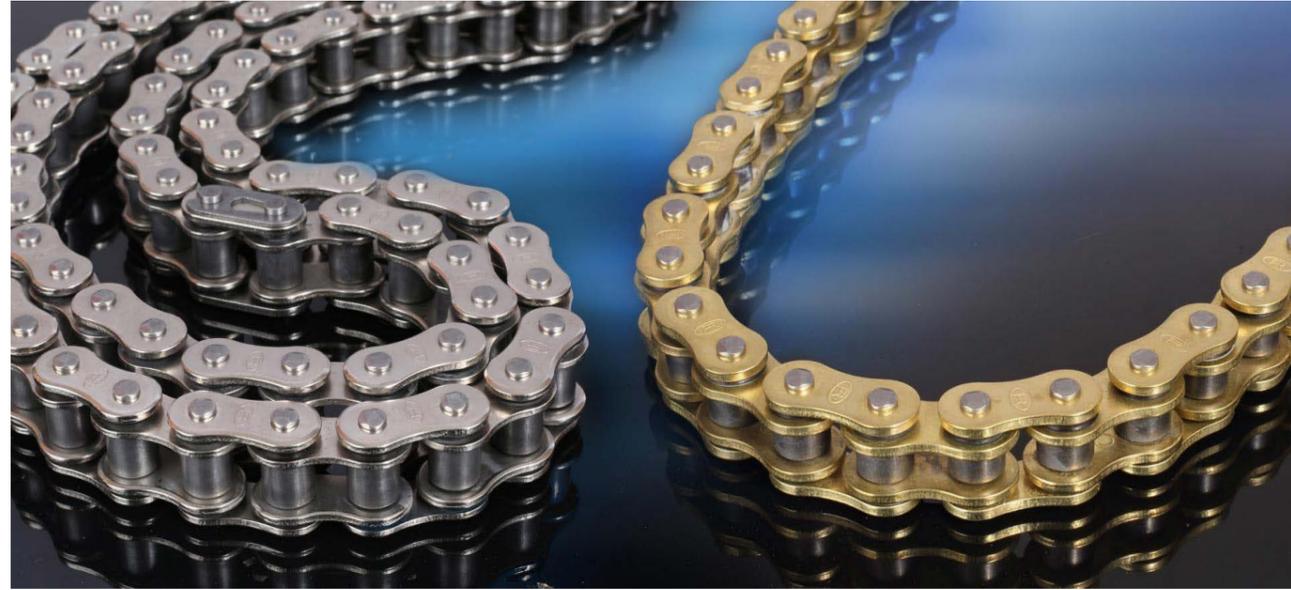
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

r) Earnings per share

The basic earnings per share are computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic

EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

1 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

(₹ In Lakhs)

Particulars	Property, plant and equipment						Intangible Assets				Total	Right of use Asset	Investment Property	Asset held for sale				
	Land		Building		Plant and Equipment		Furniture and fittings	Electrical Fittings	Vehicles	Office Equipment					Lab Equipments, Pipe Fittings, etc.	Total	Technical know how	Computer Software
	Owned	Leased	Owned	Leased	Owned	Leased												
Gross Carrying Value as at March 31, 2022	6,427.21	1,563.14	15,575.26	7.39	54,082.42	389.05	320.45	2,542.08	654.56	364.86	2,345.80	84,772.22	299.87	282.84	1,614.97	582.71	1,116.97	133.21
Additions	1,095.00	-	383.90	-	4,268.97	-	50.83	164.32	78.21	29.17	200.58	6,270.98	-	99.39	411.43	99.39	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(938.42)	938.42
Disposals	(223.50)	-	(6.18)	-	(430.80)	-	(2.95)	(14.17)	(7.66)	(8.90)	(91.18)	(785.34)	-	-	-	(146.52)	-	-
As at March 31, 2023	7,298.71	1,563.14	15,952.98	7.39	57,920.59	389.05	368.33	2,692.23	725.11	385.13	2,455.20	89,757.86	299.87	236.71	2,026.40	536.58	178.55	1,061.63
Additions	7.80	-	7,348.03	-	4,358.08	-	60.85	519.05	69.50	70.87	333.13	12,767.31	-	78.24	903.42	78.24	-	-
Additions on account of new acquisitions	499.28	-	801.15	-	1,899.50	-	5.76	-	9.98	18.34	-	3,234.01	-	-	-	-	-	-
Disposals / Transfers	-	-	(2.83)	-	(369.71)	(8.98)	(15.93)	(11.42)	(12.54)	(13.60)	(34.86)	(469.87)	-	(0.36)	-	(0.36)	-	(1,061.63)
As at March 31, 2024	7,805.79	1,563.14	24,099.33	7.39	63,808.46	380.07	419.01	3,199.86	792.05	460.74	2,733.47	1,05,289.31	299.87	314.59	2,929.82	614.46	178.55	-
Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
as at March 31, 2022	-	93.38	4,371.75	5.38	28,890.66	381.30	192.89	994.42	232.97	222.53	1,480.21	36,865.49	260.98	226.14	774.92	487.12	153.48	114.66
Charge for the year	-	28.00	882.12	0.22	5,725.78	0.57	39.76	245.88	82.87	52.67	357.79	7,415.66	22.67	37.19	364.50	59.86	106.77	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(132.60)	132.60
Disposals	-	-	(5.23)	-	(323.35)	-	(2.91)	(13.35)	(7.27)	(8.29)	(89.02)	(449.42)	-	(144.70)	-	(144.70)	-	-
As at March 31, 2023	-	121.38	5,248.64	5.60	34,293.09	381.87	229.74	1,226.95	308.57	266.91	1,748.98	43,831.73	283.65	118.63	1,139.42	402.28	127.65	247.26
Charge for the year	-	28.00	1,111.84	0.19	5,429.66	-	42.11	266.37	82.11	51.18	310.35	7,321.81	8.22	59.37	404.31	67.59	1.72	-
Depreciation relating to new acquisitions	-	-	440.01	-	986.70	-	3.84	-	7.97	8.97	-	1,447.49	-	-	-	-	-	-
Disposals / Transfers	-	-	(2.53)	-	(298.88)	(8.66)	(15.55)	(9.99)	(5.03)	(12.75)	(33.56)	(386.95)	-	(0.35)	(0.35)	(0.35)	-	(247.26)
As at March 31, 2024	-	149.38	6,797.96	5.79	40,410.57	373.21	260.14	1,483.33	393.62	314.31	2,025.77	52,214.07	291.87	177.65	1,543.73	469.52	129.37	-
Net Carrying Value	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2023	7,298.71	1,441.76	10,704.34	1.79	23,627.50	7.18	138.59	1,465.28	416.54	118.22	706.22	45,926.14	16.22	118.08	134.30	886.98	50.90	814.37
As at March 31, 2024	7,805.79	1,413.76	17,301.37	1.60	23,397.89	6.86	158.87	1,716.53	398.43	146.43	727.70	53,075.24	8.00	136.94	144.94	1,386.09	49.18	-

Note: i) Revaluation during the year - NIL (P.Y. - NIL)

ii) The Movable property, plant and equipment are hypothecated with banks for the working capital facilities availed

CWIP

Particulars	31.03.2024	31.03.2023
Capital Work in Progress	4,700.88	3,166.86

CWIP Ageing Schedule

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 Years	
CWIP				
Project in Progress				
As at March 31, 2024	4,700.88	-	-	4,700.88
As at March 31, 2023	3,166.86	-	-	3,166.86
Project temporarily suspended				
As at March 31, 2024				
As at March 31, 2023				

CWIP completion schedule where completion is overdue or has exceeded the cost compared to its original plan - Nil

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

2 Investments

₹ in Lakhs

Particulars	Number of Shares	Face Value in ₹	As at 31 March, 2024			Number of Shares	Face Value in ₹	As at 31 March, 2023		
			Quoted	Unquoted	Total			Quoted	Unquoted	Total
(a) Investment in Equity instruments (Fully paid up) (Quoted) At Fair value through Other Comprehensive Income										
(i) Others:										
Elgi Equipments Limited	24,34,412	1.00	14,647.86		14,647.86	24,34,412	1.00	10,666.38		10,666.38
LGB Forge Limited	2,90,00,000	1.00	2,581.00		2,581.00	2,90,00,000	1.00	2,392.50		2,392.50
(b) Investment in Equity instruments: (Fully paid up) (Unquoted) At Fair Value through Other Comprehensive Income										
(i) Others:										
TRL Krosaki Refractories Limited (Formerly known as Tata Refractory Limited)	5,000	10.00		16.94	16.94	5,000	10.00		14.02	14.02
Silent Chain India (P) Limited	770	10.00		2.09	2.09	770	10.00		2.00	2.00
LG Farm Products (P) Limited	10,000	10.00		8.98	8.98	10,000	10.00		8.10	8.10
South West Engineering India (P) Limited	207	1,000.00		63.05	63.05	207	1,000.00		73.60	73.60
Super Speeds (P) Limited	1,72,864	10.00		305.03	305.03	1,30,500	10.00		210.52	210.52
			17,228.86	396.09	17,624.95			13,058.88	308.24	13,367.12

Particulars	As at 31 March, 2024	As at 31 March, 2023
Aggregate amount of quoted investments and market value thereof	17,228.86	13,058.88
Aggregate Amount of Unquoted Investments	396.09	308.24
	17,624.95	13,367.12

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
3 OTHER NON-CURRENT FINANCIALS ASSETS Unsecured, Considered good (unless otherwise stated)		
(a) Security and other deposits	1,632.45	1,512.34
(b) Bank Deposits with more than 12 months maturity	29,200.00	12,836.49
Total	30,832.45	14,348.83
4 OTHER NON CURRENT ASSETS Unsecured, Considered good (unless otherwise stated)		
(a) Capital advance	1,607.49	889.60
(b) Advance other than Capital advance Unsecured, Considered good (unless otherwise stated)		
(i) Prepaid expenses	69.04	48.56
(ii) Rent and other advances	262.92	219.60
(iii) Advance recoverable	96.30	278.59
(iv) Income and claims receivable	37.83	37.83
Total	2,073.58	1,474.18
5 INVENTORIES (At Lower of cost and net realisable value)		
(a) Raw Materials	9,712.30	9,409.78
(b) Work-in-progress	13,305.83	12,434.01
(c) Finished products	10,861.67	13,382.93
(d) Packing materials	490.87	448.46
(e) Stores & spares	2,411.06	2,205.41
(f) Loose tools	2,132.61	2,125.08
Total	38,914.34	40,005.67
Note:		
(i) The inventories are hypothecated with the Banks for the working capital facilities availed		
(ii) Goods in Transit included above are as follows:		
Raw Materials	26.65	12.12
Work-in-progress	549.94	536.55
Finished products	1,063.62	1,443.90
Packing materials	2.56	0.72
Stores & spares	10.37	10.05
Loose tools	0.36	10.92
6 TRADE RECEIVABLE		
(i) Unsecured, considered good	30,049.16	27,234.65
(ii) Unsecured, Having significant increase in credit risk	142.47	263.97
Less: Provision for expected credit loss	(142.47)	(263.97)
(ii) Unsecured, Credit Impairment	1,342.01	78.12
Less: Provision for expected credit loss	(1,342.01)	(78.12)
Total	30,049.16	27,234.65

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
Note:		
(a) Debts due by Directors or other Officers of the Company	-	-
(b) Debts due by Companies in which a Director is a Director/Member	29.92	999.59
(c) Trade receivables include unbilled revenue	-	-
(d) The entire book debts are pledged with the Banks for the working capital facilities availed		

TRADE RECEIVABLES SCHEDULE
For the year ended March 31, 2024
₹ in lakhs

PARTICULARS	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed - considered good	29,715.92	303.49	5.44	23.71	0.60	30,049.16
Undisputed - which have significant increase in credit risk	85.70	55.69	1.08	-	-	142.47
Undisputed - credit impaired	-	0.21	9.25	-	1,268.09	1,277.55
Disputed - considered good	-	-	-	-	-	-
Disputed - which have significant increase in credit risk	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	64.46	64.46
Sub-Total	29,801.62	359.39	15.77	23.71	1,333.15	31,533.64
Less: Allowance for Expected Credit Loss	-	-	-	-	-	(1,484.48)
Trade Receivables	29,801.62	359.39	15.77	23.71	1,333.15	30,049.16

For the year ended March 31, 2023

PARTICULARS	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed - considered good	26,582.24	610.90	23.72	17.80	-	27,234.66
Undisputed - which have significant increase in credit risk	66.40	156.24	41.31	-	-	263.95
Undisputed - credit impaired	-	13.27	0.40	-	-	13.67
Disputed - considered good	-	-	-	-	-	-
Disputed - which have significant increase in credit risk	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	64.46	64.46
Sub-Total	26,648.64	780.41	65.43	17.80	64.46	27,576.74
Less: Allowance for Expected Credit Loss	-	-	-	-	-	(342.09)
Trade Receivables	26,648.64	780.41	65.43	17.80	64.46	27,234.65

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
7 CASH AND BANK BALANCES		
A Cash and cash equivalents (as per IND AS 7 Cash Flow Statements)		
(a) Cash- on- Hand	8.19	7.80
(b) Balances with Banks		
(i) In Current Account and debit balances in Cash Credit Accounts	1,507.06	1,158.41
(ii) In Collection Account	188.63	203.65
(iii) In Deposit Account	-	-
Total	1,703.88	1,369.86
B Other Bank Balances		
(a) In Margin money with Banks	144.05	87.00
(b) In Deposit Account with more than 3 months maturity but less than 12 months	32,337.49	33,200.00
(c) In Earmarked Accounts		
Unpaid Dividend Account	121.64	100.59
CSR Unspent Account	82.30	-
Preferential share Warrant account	1,615.00	-
Total	34,300.48	33,387.59
Total Cash and Bank Balances (A+B)	36,004.36	34,757.45

Notes:

(i) Margin money with Banks is for the purpose of compliance of deposits accepted from public.

8 OTHER FINANCIAL ASSETS		
Unsecured, Considered good (unless otherwise stated)		
(a) Loans and advances to employees	55.52	40.13
(b) Interest accrued on Deposits	2,420.11	1,092.72
(c) Security and other deposits	185.36	-
Total	2,660.99	1,132.85
9 OTHER CURRENT ASSETS		
Unsecured, Considered good (unless otherwise stated)		
(a) Prepaid expenses	768.26	478.75
(b) Balance with govt authorities	77.73	77.72
(c) Advance recoverable	122.55	110.91
(d) Income and claims receivable	197.24	193.86
(e) Rent Advance	94.80	113.80
(f) Supplier Advance	2,073.67	1,311.45
Total	3,334.25	2,286.49

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
10 SHARE CAPITAL (EQUITY SHARES OF ₹ 10/- EACH WITH VOTING RIGHTS)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
(a) Authorised	4,70,00,000	4,700.00	4,70,00,000	4,700.00
Total	4,70,00,000	4,700.00	4,70,00,000	4,700.00
(b) Issued	3,13,92,416	3,139.24	3,13,92,416	3,139.24
Total	3,13,92,416	3,139.24	3,13,92,416	3,139.24
(c) Subscribed and fully paid-up	3,13,92,416	3,139.24	3,13,92,416	3,139.24
Total	3,13,92,416	3,139.24	3,13,92,416	3,139.24

Notes:
10 (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Opening balance	Fresh Issue	Bonus/ESOP	Conversion / Buyback	Closing balance
Equity shares with voting rights					
Year ended 31 st March, 2024					
Number of shares	3,13,92,416	-	-	-	3,13,92,416
Amount (₹ in lakhs)	3,139.24	-	-	-	3,139.24
Year ended 31 st March, 2023					
Number of shares	3,13,92,416	-	-	-	3,13,92,416
Amount (₹ in lakhs)	3,139.24	-	-	-	3,139.24

10 (ii) Details of shares held by Promoter

Name of the shareholder	As at 31 March 2024		As at 31 March, 2023		% Change during the year
	Number of shares held	% of holding	Number of shares held	% of holding	
Equity shares with voting rights					
B.Vijayakumar	34,54,000	11.00	34,54,000	11.00	-
Rajsri Vijayakumar	21,79,156	6.94	21,79,156	6.94	-
LGB Auto Products Private Ltd	18,56,000	5.91	17,89,506	5.70	0.21
Jeshta Family Private Trust	15,69,675	5.00	15,60,000	4.97	0.03
LG Farm Products Private Ltd	8,06,845	2.57	8,00,000	2.55	0.02
L G Sports Private Limited	4,50,000	1.43	4,29,000	1.36	0.07
Super Transports Private Limited	1,40,000	0.45	1,40,000	0.45	-
K Arjun	-	-	1,16,845	0.37	(0.37)
K Nithin	-	-	1,00,000	0.32	(0.32)
Elgi Automotive Service Pvt Ltd	80,000	0.25	80,000	0.25	-
Super Speeds Private Limited	50,000	0.16	50,000	0.16	-
Vijayshree Vijayakumar	-	-	24,500	0.08	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Name of the shareholder	As at 31 March 2024		As at 31 March, 2023		% Change during the year
	Number of shares held	% of holding	Number of shares held	% of holding	
Tribe Holdings Pvt Ltd (erstwhile known as Tribe Investment & Services Pvt Ltd)	-	-	10,705	0.03	(0.03)
Silent Chain India Pvt Ltd	7,200	0.02	7,200	0.02	-
	1,05,92,876	33.74	1,07,40,912	34.22	-0.47

10 (iii) Details of shares held by each shareholder holding more than 5% shares

Name of the shareholder	As at 31 March 2024		As at 31 March, 2023	
	Number of shares held	% of holding	Number of shares held	% of holding
Equity shares with voting rights				
B.Vijayakumar	34,54,000	11.00	34,54,000	11.00
HDFC Small Cap Fund	28,55,543	9.10	25,56,997	8.15
Rajsri Vijayakumar	21,79,156	6.94	21,79,156	6.94
L.G.B.Auto Products (P) Ltd	18,56,000	5.91	17,89,506	5.70
Jeshta Family Private Trust	15,69,675	5.00	15,60,000	4.97

10 (iv) Terms and rights attached to equity shares:

(a) The company has only one class of equity shares having a par value of ₹ 10/- each. The equity shares of the Company ranks pari passu in all aspects including rights and entitlement to dividend. The Equity shareholders are entitled to one vote per share.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company in proportion to their shareholding.

(b) Dividend proposed by Board of Directors (₹ 18/- per Equity Share) (PY - ₹ 16/- per Equity Share) for the Financial Year 2023-24 for Face value of ₹ 10/- is subject to approval of Shareholders in ensuing Annual General Meeting.

10 (v) Shares issued for consideration other than cash and Buyback during five preceding years:

Aggregate No of Shares

- | | |
|---|----------------|
| (a) Shares fully paid up pursuant to contract(s) without payment being made in cash | Nil |
| (b) Equity Shares fully paid up by way of bonus shares | 1,56,96,208.00 |
| (c) Shares bought back | Nil |

10(vi) Out of Equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below: Nil
10(vii) Share Warrants:

Equity shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment, including the terms and amounts:

Share reserved (in Nos.):	5,00,000
Total Amount (in ₹ Lakhs):	6,460

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Terms: 5,00,000 Share Warrants @ ₹ 1,292/- per warrant issued to promoters on preferential basis with option to exercise their right within 18 months from the date of issue of warrants (13.03.2024) to be issued at ₹ 10/- per share at a premium of ₹ 1,282/- per share.

Till the balance sheet date, an amount of ₹ 1615 lakhs has been received from subscribers of the warrants and the warrant holders have not exercised their right. The amount is disclosed under other equity as Money Received under Share Warrant in Note No.12 to the financial statements.

Rights: The share warrants shall not carry any voting rights until they are converted into equity shares and the warrants by itself, until exercised and converted into equity shares, shall not give the warrant holders any rights with respect to that of an equity shareholder of the company.

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
11 OTHER EQUITY		
(a) Securities premium		
Opening balance	1,530.99	1,530.99
Less:Capitalisation of Bonus shares	-	-
Closing balance	1,530.99	1,530.99
(b) Money received against Share warrants		
Opening balance	-	-
Add:Received during the year	1,615.00	-
Closing balance	1,615.00	-
(c) General reserve		
Opening balance	1,10,000.00	90,000.00
Add:Transfer from surplus in Statement of Profit and Loss	20,000.00	20,000.00
Closing balance	1,30,000.00	1,10,000.00
(d) Foreign Currency Translation Reserve		
Opening Balance	(198.36)	(217.76)
Add:Adjustment for translation of Non integral Foreign operations	27.82	19.40
Closing Balance	(170.54)	(198.36)
(e) Other Comprehensive Income		
Opening Balance	8,904.48	6,189.24
Add:OCI for the year	3,714.94	2,888.45
Less: Gain on Sale of Shares trfd to Retained Earnings	-	173.20
Closing balance	12,619.42	8,904.47
(f) Retained Earnings		
Opening Balance	13,156.69	12,604.73
Add:Profit/(Loss) for the year	27,134.20	25,193.06
Add: OCI - Re-measurement of defined employee benefit plans	116.01	(105.45)
Add: Gain on Sale of Shares trfd to General Reserve	-	173.21
Less:Dividend paid	5,022.93	4,708.86
Less:Premium paid on Buy-back shares	-	-
Less:Transferred to General reserve	20,000.00	20,000.00
Closing balance	15,383.97	13,156.69
Total	1,60,978.84	1,33,393.79

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
Nature and Purpose of the Reserve:
Securities premium:

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

Money received against Share warrants

Money received against Share warrants represents amount received towards share warrants issued by the company. The Company transfers amounts from this reserve to equity share capital and securities premium on allotment of shares against the said warrants.

General reserve:

This is available for distribution to shareholders.

Other Comprehensive Income:

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Retained earnings:

Company's share of cumulative earnings since its formation minus the dividends/capitalisation and earnings transferred to general reserve.

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
12 BORROWINGS		
(a) Term loans : (Refer (i) below)		
From banks		
Secured	953.10	998.66
(b) Fixed deposits:		
From Public		
Unsecured	167.71	135.38
From Directors		
Unsecured	570.00	540.00
From other related parties		
Unsecured	160.00	10.00
Total	1,850.81	1,684.04

Notes:

12 (i) Interest rate relating to Term loans from banks during the year - SOFR rate plus 1.875% (7.275% and 6.175% at December 31, 2023 and 2022 respectively.)

12 (ii) Repayment schedule

Particulars	Term of repayment	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
Term loan from banks:			
Secured:			
Citizen Bank	Principal payments of \$ 5,208 are due monthly with a balloon payment of remaining balance due on July 16, 2032	953.10	998.66
Total		953.10	998.66

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

- 12 (iii)(a) There was no default in the repayment of loans, borrowing and interest during the year.
- 12 (iv)(a) The fixed deposits are repayable on maturity, the period for which ranges from 1 to 3 years.
- (b) Interest rate relating to fixed deposits is in the range of 6.50% to 8.00% during the year

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
13 PROVISIONS		
(i) Provision for Employee Benefits		
- Provision for Leave Salary	414.15	378.89
(ii) Others		
- Provision for contingencies	1,000.00	1,000.00
- Decommissioning Liability	118.36	112.87
	1,532.51	1,491.76
14 CURRENT BORROWINGS		
(a) Loan repayable on demand		
From banks		
Secured	6,434.40	5,819.80
(b) Loans from Related Parties		
- Loan from Directors, Unsecured	760.00	200.00
- Loan from Other related parties, Unsecured	242.00	863.00
(d) Current maturities of long-term debt (Refer Note (iii) below)	661.43	781.02
	8,097.83	7,663.82

Notes:
14 (i) Details of Security for Borrowings:

- (a) Working capital loans from banks are primarily secured by hypothecation of inventories and book debts of the Company
- (b) Interest rate relating to Short term loans from banks is in the range of 6.00% to 8.00%
- (c) Break-up of loan repayable on demand and financial institutions.

Particulars	As at 31 March 2024		As at 31 March, 2023	
	Secured	Unsecured	Secured	Unsecured
Loan repayable on Demand (₹ in Lakhs)				
From Banks				
HDFC Bank Ltd	1,500.00	-	1,819.80	-
ICICI Bank Ltd	2,000.00	-	2,000.00	-
IDBI Bank Ltd	1,000.00	-	2,000.00	-
Hongkong and Shanghai Banking Corporation Ltd	1,500.00	-	-	-
Huntington National Bank	434.40	-	-	-
Total - Loan from banks	6,434.40	-	5,819.80	-

- 14 (ii) **Note:** There was no default in the repayment of loans and interest during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
14 (iii) Current maturities of Long-term debt:		
Term Loan		
From Banks		
Secured	51.95	70.25
Total - Current maturities of Long-term debt	51.95	70.25
Fixed Deposits:		
a) Directors	510.00	558.80
b) Other Related Parties	10.00	64.00
c) Public	89.48	87.97
	609.48	710.77
Total - Current maturities of Long-term debt	661.43	781.02
15 TRADE PAYABLE		
Trade payables		
- total outstanding dues of micro & small enterprises	1,460.51	2,182.66
- total outstanding dues other than micro & small enterprises	24,353.26	18,789.31
	25,813.77	20,971.97

Note:

- (i) Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.
- (ii) There are no unbilled dues payable for the above years.

TRADE PAYABLE AGEING SCHEDULE
For the Year Ended 31 March, 2024
₹ in lakhs

PARTICULARS	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	1,460.21	-	-	-	1,460.21
Others	24,326.30	-	-	-	24,326.30
Disputed dues - MSME	-	0.30	-	-	0.30
Disputed dues - Others	-	16.77	1.29	8.90	26.96
Total	25,786.51	17.07	1.29	8.90	25,813.77

For The Year Ended 31 March, 2023

PARTICULARS	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	2,169.67	-	-	-	2,169.67
Others	18,773.23	-	-	-	18,773.23
Disputed dues - MSME	-	12.55	0.44	-	12.99
Disputed dues - Others	-	4.47	10.44	1.17	16.08
Total	20,942.90	17.02	10.88	1.17	20,971.97

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
16 OTHER FINANCIAL LIABILITIES:		
Interest Accrued:		
- but not due on secured loans	8.42	7.02
- but not due on Unsecured loans	7.02	13.48
- on deposits from customers	88.00	76.15
Unclaimed dividends (Refer Note (i) below)	121.64	100.59
Others:		
Payable on purchase of fixed assets	955.32	190.83
Dividend payable	-	-
Expenses Payable	14,209.80	12,982.72
Total	15,390.20	13,370.79
16 (i) There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.		
17 OTHER CURRENT LIABILITIES:		
Other Advances:		
Statutory remittances	1,763.79	1,445.25
Advance and deposits from customers etc.,	1,072.89	1,003.89
Payable to COC	143.78	-
Total	2,980.46	2,449.14
18 PROVISIONS		
Provision for Employee Benefits:		
Provision for Leave Salary	50.33	40.45
Total	50.33	40.45
19 REVENUE FROM OPERATIONS:		
a) Sale of products	2,19,188.42	2,03,477.44
b) Sale of services	311.20	-
c) Other operating revenue		
(i) Scrap sales	14,528.56	16,174.55
(ii) Duty drawback and other export incentives	576.41	645.80
Revenue from operations	2,34,604.59	2,20,297.79
Revenue from sale of products disaggregated on the basis of major business areas are as follows:		
(i) Transmission	1,72,916.34	1,59,596.93
(ii) Metal Forming	46,272.08	43,880.51
Total	2,19,188.42	2,03,477.44

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
20 OTHER INCOME		
a) Interest income		
(i) Interest on fixed deposit with banks	4,207.69	2,030.96
(ii) Interest on Electricity deposits	52.88	42.86
(iii) Others	15.45	8.10
Total Interest Income	4,276.02	2,081.92
b) Dividend income:	49.84	29.16
c) Other non-operating income		
(i) Rental and lease income	82.84	76.56
(ii) Agricultural income	3.70	6.72
(iii) Profit on sale of assets	10.18	33.86
(iv) Miscellaneous receipts	37.36	28.83
(v) Profit on foreign currency transactions and translation	356.96	334.58
(vi) Provision for doubtful debts/advances reversed	125.70	-
Total	4,942.60	2,591.63
21A COST OF MATERIALS CONSUMED		
Opening Stock:	9,858.23	13,706.85
Add:Purchases	1,05,507.75	98,741.64
Less:Closing Stock	10,203.17	9,858.23
Cost of material consumed	1,05,162.81	1,02,590.26
21BCHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Inventories at the end of the year		
Finished goods	10,861.67	13,382.93
Work-in-progress	13,305.03	12,434.01
Total	24,166.70	25,816.94
Inventories at the beginning of the year		
Finished goods	13,382.93	12,775.53
Work-in-progress	12,434.01	13,024.39
Total	25,816.94	25,799.92
Net decrease / (increase)	1,650.24	(17.02)
22 EMPLOYEE BENEFITS EXPENSES		
(a) Salaries and wages	32,497.90	28,727.52
(b) Contribution to provident and other funds	1,780.83	1,681.96
(c) Staff welfare expenses	1,881.39	1,572.90
Total	36,160.12	31,982.38

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
23 FINANCE COSTS		
(a) Interest expenses:		
(i) On borrowings:	700.04	541.68
(ii) On Decommissioning Liability	5.62	5.36
(ii) On Lease Liability	102.06	113.35
Total	807.72	660.39
24 OTHER EXPENSES		
(a) Consumption of stores and spare parts	15,425.37	14,105.80
(b) Processing charges	9,458.42	8,757.82
(c) Power and Fuel	10,257.39	9,187.00
(d) Rent including lease rentals	539.47	480.25
(e) Repairs & maintenance of		
(i) Buildings	408.30	373.63
(ii) Machinery	2,432.08	2,279.36
(iii) Other assets	2,876.45	2,379.44
(f) Insurance	259.72	299.43
(g) Rates and taxes	610.91	328.86
(h) Travelling and conveyance	812.68	667.97
(i) Printing and stationery	26.09	29.76
(j) Postage, telegram and telephones	138.42	119.92
(k) Freight, packing & forwarding	5,960.21	5,935.27
(l) Advertisement, publicity and selling expenses	688.00	576.24
(m) Bank charges	80.17	111.71
(n) Legal and professional charges	449.05	417.26
(o) Payments to auditors (Refer note (i) below)	24.83	22.35
(p) Expenditure on Corporate Social Responsibility	569.24	416.13
(q) Bad debts written off	-	-
(r) Assets condemned & written off	29.67	28.16
(s) Provision for doubtful debts/advances	-	184.82
(t) Loss on sale of Assets	-	0.03
(u) Provision for contingencies	-	-
(v) Sitting fees	17.70	12.90
(w) Watch and Ward	982.64	898.51
(x) Agricultural expenses	4.72	7.25
(y) Miscellaneous expenses	128.68	105.56
	52,180.21	47,725.43

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

₹ in Lakhs

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
Note		
(i) Details of Auditors' remuneration:		
Payment to auditors comprises (net of GST input credit wherever applicable)		
(a) To Statutory Auditors:		
For statutory audit	18.00	16.40
For certification and other services	-	-
(b) To Tax Auditors:		
For taxation matters	4.00	3.75
(c) To cost auditors for cost audit	2.30	2.20
Total	24.30	22.35
(ii) Details of CSR Expenditure:		
(i) Contribution to		
Educational Aids to Students	93.52	108.04
Water Tank Project	37.63	28.00
Red Cross Society	-	26.00
Jim Facility at Jalna	-	15.93
Amrit Centre for Special Needs	-	15.00
Coimbatore Cancer Foundation	10.00	10.00
The Womens Voluntary Service Association	7.50	-
Solar Power System to Swathanthara Hr.Sec.School	6.21	-
VOC Higher Secondary School, D.Gudalur	-	5.73
Bright Future Organisation for Blind (Notebooks)	5.48	3.66
Kundha Panchayat - water connection for public	5.27	-
The United Educational and Social Welfare Trust	5.00	-
Saraswathi Education and Welfare Trust	5.00	-
Sarswathy Educational Trust, Megalaya	-	5.00
Govt. Primary School, Saravanampatti	4.97	-
Govt. Elementary School, Pongalur	-	3.05
(ii) Contribution to others	16.36	14.72
(iii) Provision for unspent amount	372.30	181.00
Total	569.24	416.13
25 INCOME TAX EXPENSE		
Current Tax:		
Current tax on profits for the year	9,581.39	8,705.75
Adjustments for current tax of prior periods	-	-
Total current tax expense	9,581.39	8,705.75

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
26 DEFERRED TAX:		
Decrease/ (Increase) in deferred tax assets	156.75	200.63
(Decrease)/ Increase in deferred tax Liabilities	(416.38)	(108.51)
Total deferred tax expense/ (benefit)	(259.63)	92.12
Income tax expenss	9,321.76	8,797.87
The Income-tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax	36,471.34	34,030.67
Income-tax expense calculated at 25.168%	9,140.08	8,463.85
i) Tax effect on earlier year disallowances	-	-
ii) Tax effect of amounts which are not deductible (taxable) in calculating taxable income	-	-
Impact of Property, Plant & Equipment	428.28	169.46
Impact of lease accounting	(102.63)	(91.23)
Provision for employee benefit expenses	0.93	(21.41)
Provision for bad and doubtful debts	(31.64)	46.52
Corporate social responsibility expenditure	143.27	104.73
Effect of income taxable at differential tax rate	-	29.91
Other permanent disallowance items	3.10	3.92
Total tax expense	9,581.39	8,705.75

27 FAIR VALUE MEASUREMENT

Financial instruments by category

₹ in Lakhs

Particulars	March 31, 2024					March 31, 2023				
	FVTPL	FVTOCI	Amor-tised Cost	Total Carrying Value	Total Fair Value	FVTPL	FVTOCI	Amor-tised Cost	Total Carrying Value	Total Fair Value
Financial Assets										
Investments										
- Equity instruments (other than subsidiary and associates)	-	17,624.95	-	17,624.95	17,624.95	-	13,367.12	-	13,367.12	13,367.12
Trade Receivables	-	-	30,049.16	30,049.16	30,049.16	-	-	27,234.65	27,234.65	27,234.65
Cash and bank balances	-	-	36,004.36	36,004.36	36,004.36	-	-	34,757.45	34,757.45	34,757.45
Other Financial assets	-	-	33,493.43	33,493.43	33,493.43	-	-	15,481.68	15,481.68	15,481.68
Total Financial Assets	-	17,624.95	99,546.95	1,17,171.90	1,17,171.90	-	13,367.12	77,473.78	90,840.90	90,840.90

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	March 31, 2024					March 31, 2023				
	FVTPL	FVTOCI	Amor-tised Cost	Total Carrying Value	Total Fair Value	FVTPL	FVTOCI	Amor-tised Cost	Total Carrying Value	Total Fair Value
Financial Liabilities										
Borrowings	-	-	9,948.63	9,948.63	9,948.63	-	-	9,347.86	9,347.86	9,347.86
Trade Payables	-	-	25,813.77	25,813.77	25,813.77	-	-	20,971.97	20,971.97	20,971.97
Other Financial liabilities	-	-	16,520.18	16,520.18	16,520.18	-	-	14,053.93	14,053.93	14,053.93
Total Financial Liabilities	-	-	52,282.58	52,282.58	52,282.58	-	-	44,373.76	44,373.76	44,373.76

(i) Fair value hierarchy

This Section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the Financial Statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	March 31, 2024				March 31, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Investments at FVTOCI								
Listed Equity instruments	17,228.86	-	-	17,228.86	13,058.88	-	-	13,058.88
Unlisted Equity instruments	-	-	396.09	396.09	-	-	308.24	308.24
Total Financial Assets	17,228.86	-	396.09	17,624.95	13,058.88	-	308.24	13,367.12
Financial Liabilities								
Total Financial Liabilities	-	-	-	-	-	-	-	-

Level 1:

This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares.

Level 2:

The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3:

This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair value is determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This Level includes investment in unquoted equity shares.

There are no transfers between levels 1, 2 and 3 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 except for unlisted equity securities where the fair values have been determined based on book value per share as per the latest available financial statements.

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates.

Details of the investment property and its fair value:

Investment property disclosed is net of depreciation

The fair values of investment properties have been determined based on the valuation report of a certified engineer.

Particulars	31.03.2024
Fair Market Value of Investment Properties	
a) Land	735.06
b) Building	455.75
Total	1,190.81

28 FINANCIAL INSTRUMENTS

Capital Management

The Company manages its capital to ensure that entities in the Company will be able to continue as going concern, while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, cash generated from operations, long term and short-term borrowings.

The capital structure of the Company consists only of equity.

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
Gearing Ratio:		
Borrowings	1,850.81	1,684.04
Less: Cash and bank balances	36,004.36	34,757.45
Net debt	(34,153.55)	(33,073.41)
Total equity	1,64,118.08	1,36,533.03
Net debt to equity ratio (%)	-20.81%	-24.22%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Financial risk Management objectives

The treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using natural hedging financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of Directors, which provide written principles on foreign exchange risk, the use of financial derivatives, and the investment of excess liquidity. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company actively manages its currency and interest rate exposures through its finance division and uses derivative instruments such as forward contracts and currency swaps, wherever required, to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by appropriate levels of Management.

Foreign currency risk Management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company actively manages its currency rate exposures and uses natural hedging principles to mitigate the risks from such exposures. The use of derivative instruments, if any, is subject to limits and regular monitoring by appropriate levels of Management.

Foreign Currency Exposure not hedged by derivative instruments as on 31.03.2024

Currency	Receivable/ (Payable)	Receivable	Payable	Rs.in.Lakhs
		Exchange Rate	Exchange Rate	
USD	56,09,487.16	83.32	-	4,673.82
	(5,20,632.84)	-	83.32	(433.79)
EUR	28,71,357.97	90.16	-	2,588.82
	(28,869.70)	-	90.16	(26.03)
GBP	4,74,843.59	105.23	-	499.68
	-	-	105.23	-
JPY	-	0.5506	-	-
	-	-	0.5506	-
Total Receivable (A)				7,762.32
Total Payable (B)				(459.82)
Net Foreign currency Exposure (C= A-B)				7,302.50
Less : Hedged (D) against Receivable				6,138.90
Unhedged Foreign Currency Exposure (E= C-D)				1,163.60

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows :

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

₹ in Lakhs

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
As on March 31, 2024							
USD	5,20,632.84	-	5,20,632.84	56,09,487.16	54,00,000.00	2,09,487.16	(3,11,145.68)
EUR	28,869.70	-	28,869.70	28,71,357.97	18,00,000.00	10,71,357.97	10,42,488.27
GBP	-	-	-	4,74,843.59	-	4,74,843.59	4,74,843.59
JPY	-	-	-	-	-	-	-
As on March 31, 2023							
USD	94,389.09	-	94,389.09	59,33,702.41	17,00,000.00	42,33,702.41	41,39,313.32
EUR	50,502.72	-	50,502.72	25,91,968.86	40,00,000.00	(14,08,031.14)	(14,08,031.14)
GBP	-	-	-	52,914.82	-	52,914.82	52,914.82
JPY	31,50,000.00	-	31,50,000.00	8,080.00	-	8,080.00	(31,41,920.00)

Foreign currency sensitivity analysis

Movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its operations. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures. The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 5%, which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates.

Impact on Profit and loss for the reporting period				
Particulars	₹ in Lakhs			
	For the year ended 31 March 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2023
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
USD	(12.96)	12.96	169.96	(169.96)
EURO	47.00	(47.00)	(63.03)	63.03
GBP	24.98	(24.98)	2.69	(2.69)
JPY	-	-	-0.97	0.97
Impact on total equity as at end of the reporting period				
Particulars	₹ in Lakhs			
	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2023
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
USD	(9.70)	9.70	127.18	(127.18)
EURO	35.17	(35.17)	(47.17)	47.17
GBP	18.70	(18.70)	2.02	(2.02)
JPY	-	-	(0.73)	0.73

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Interest rate risk Management

The Company is exposed to interest rate risk because it borrow funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

For details of the Company's long-term and short-term loans and borrowings, including interest rate profiles, refer to Note 12 and 14 of these financial statements.

Interest rate sensitivity analysis

Fixed Rate Instruments

The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IND AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

Variable Rate Instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and profit or loss. The company as at the Balance Sheet date doesn't have any floating rate liability and the liability during the year is not material to the company, hence it is considered that the company is not exposed materially to the interest rate changes.

Credit risk management

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks.

Exposure to credit risk

Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, balances with bank, bank deposits provided by the Company.

Offsetting related disclosures

Offsetting of cash and cash equivalents to borrowings as per the consortium agreement is available only to the bank in the event of a default. Company does not have the right to offset in case of the counter party's bankruptcy, therefore, these disclosures are not required.

Liquidity risk management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company invests its surplus funds in bank fixed deposit . The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

Liquidity tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

₹ in Lakhs

	Due in 1 st year	Due in 2 nd to 5 th year	Due after 5 th year	Carrying amount
March 31, 2024				
Trade payables	25,813.77	-	-	25,813.77
Other financial liabilities	15,390.20	-	-	15,390.20
Borrowings	8,097.83	1,850.81	-	9,948.64
Lease Liabilities	443.06	1,129.98	-	1,573.04
	49,744.86	2,980.79	-	52,725.65
March 31, 2023				
Trade payables	20,971.97	-	-	20,971.97
Other financial liabilities	13,370.79	-	-	13,370.79
Borrowings	7,663.82	1,684.04	-	9,347.86
Lease Liabilities	393.27	683.14	-	1,076.41
	42,399.85	2,367.18	-	44,767.03

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
29 Contingent liabilities and commitments (to the extent not provided for)		
(i) Contingent liabilities:		
(a) Claims against the Company, not acknowledged as debts - disputed tax liabilities		
(i) Central Excise	162.72	162.72
(ii) Entry Tax	408.36	408.36
(iii) VAT/CST	-	374.86
(iv) GST	46.97	9.68
(v) Income Tax	3,204.00	3,765.20
TOTAL	3,822.05	4,720.82
(b) Guarantee given by Bankers and outstanding	477.87	381.04
(c) Corporate guarantee given for others	-	-
(d) Estimated customs duty obligation on imports, if corresponding export obligation is not satisfied.	857.80	4,591.32

Note: Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

(ii) Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for - Tangible assets	15,962.50	11,471.76
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

30 EMPLOYEE BENEFIT PLANS

Defined Contribution plans:

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized ₹ 1170.79 Lakhs (PY - ₹ 1,129.66 Lakhs) for Provident Fund contributions and ₹ 25.75 Lakhs (PY - ₹ 18.02 Lakhs) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

State plans:

The Company makes ESI contributions to Employees State Insurance Scheme. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 205.36 Lakhs (PY- ₹ 213.61 Lakhs) in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Scheme.

Defined Benefit Plan - Gratuity:

The Company provides gratuity benefit (included as part of employees contribution to funds in Note 22 Employee benefits expense) to all eligible employees, which is funded with Life Insurance Corporation of India.

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the Financial Statements

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
Components of employer expenses		
Current service cost	245.86	230.27
Interest cost	229.88	208.15
Expected return on Plan Assets	(264.29)	(251.85)
Actuarial (gains) / losses		
Past service cost		
Total expense recognized in Statement of Profit and Loss*	211.45	186.57
Actual contribution and the benefit payments for the year		
Actual benefit payments	(139.90)	(123.90)
Actual contribution	228.23	214.82
Other Comprehensive Income		
Opening OCI	270.29	129.38
Actuarial Loss / (Gain) on DBO	(189.76)	101.34
Actuarial Loss / (Gain) on Assets	26.95	39.57
Total recognized in Other Comprehensive Income	(162.81)	140.91
Closing Recognised in OCI	107.48	270.29
Net Asset/(Liability) recognized in the Balance Sheet		
Present value of benefit obligation	3,395.50	3,249.42
Fair value of plan assets	3,936.95	3,611.28
Funded Status [Surplus/(Deficit)] *	541.45	361.86

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
Unrecognised past service cost	--	--
Net Asset/(Liability) recognized in the Balance Sheet	541.45	361.86
Change in defined benefit obligations(DBO) during the year	-	-
Present value of DBO at beginning of the year	3,249.42	2,833.56
Current service cost	245.86	230.27
Interest cost	229.88	208.15
Actuarial (gain) / loss on obligation	(189.76)	101.34
Benefits paid	(139.90)	(123.90)
Present value of DBO at the end of the year	3,395.50	3,249.42
Change in the Fair Value of assets during the year		
Plan Assets at beginning of the year	3,611.28	3,308.08
Acquisition adjustment		
Expected return on Plan Assets	264.29	251.85
Contributions by the employer	228.23	214.82
Actuarial gain / (loss)	(26.95)	(39.57)
Benefits paid	(139.90)	(123.90)
Plan Assets at the end of the year	3,936.95	3,611.28
Reconciliation of Present Value (PV) of Obligation and Fair Value (FV) of Assets:		
Closing PV of Obligation	3,395.50	3,249.42
Closing FV of Plan Assets	3,936.95	3,611.28
Funded Status [Surplus/(Deficit)] *	541.45	361.86
* - Included under the head "Employee Benefits" in Note 22		
Composition of the Plan assets is as follows:		
Equity instruments	-	-
Debt instruments	-	-
Property	-	-
Insurer managed asset *	100%	100%
* - The details with respect to the composition of investments in the fair value of plan assets have not been disclosed in the absence of the aforesaid information.		
Actuarial assumptions		
Discount Rate (per annum)	7.23%	7.52%
Rate of increase in compensation levels (per annum)	11.00%	11.00%
Expected return on plan assets (per annum)	7.23%	7.51%
* - Included in "Contribution to Provident & Other Funds" in Note 22 - Employee Costs		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
Experience adjustments		
Actuarial (Gains) and Losses on Obligation	(189.76)	101.34
Actuarial (Gains) and Losses due to change in Assumptions	-	-
Actuarial (Gains) and Losses on Plan assets	26.95	39.57
Total comprehensive Income for the year	(162.81)	140.91
Actuarial (Gains) and Losses Recognized in the year	(162.81)	140.91
Unrecognized Actuarial (Gains) and Losses for the year	-	-

Note:

- (i) The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated terms of the obligations.
- (ii) The estimate of future salary increased considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.
- (iii) The Company is expected to contribute ₹ 300.00 Lakhs to the Gratuity Fund next year.

(iv) Sensitivity Analysis:		
A. Discount Rate + 100 BP	-9.26%	-9.36%
Defined Benefit Obligation [PVO]	3,081.05	2,945.19
B. Discount Rate - 100 BP	10.91%	11.02%
Defined Benefit Obligation [PVO]	3,766.08	3,607.53
C. Salary Escalation Rate + 100 BP	9.66%	9.72%
Defined Benefit Obligation [PVO]	3,723.49	3,565.18
D. Salary Escalation Rate - 100 BP	-8.56%	-8.62%
Defined Benefit Obligation [PVO]	3,104.94	2,969.37
E. Attrition Rate + 100 BP	-2.85%	-2.69%
Defined Benefit Obligation [PVO]	3,298.74	3,161.93
F. Attrition Rate - 100 BP	3.30%	3.11%
Defined Benefit Obligation [PVO]	3,507.41	3,350.38

v Risk exposure:

The Company's Gratuity fund is maintained by an approved trust (Life Insurance Corporation of India). A large portion of the investment made by the LIC is in government bonds and securities and other approved securities. Hence, the Company is not exposed to the risk of asset volatility as at the balance sheet date.

vi Defined benefit liability and employer contributions:

The weighted average duration of the defined benefit obligation is 14.85 years (2022-23 - 14.69 years). The expected maturity analysis of undiscounted gratuity is as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	₹ in Lakhs	
	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
Less than 1 year	137.19	138.44
Between 1 - 2 years	157.18	141.09
Between 2 - 3 years	251.74	187.72
Between 3 - 4 years	235.47	256.32
Between 4 - 5 years	274.64	237.31
Between 5 -10 years	1,612.32	1,564.86
Above 10 years	5,927.81	6,111.33
31 SEGMENTAL REPORTING:		
Primary Segment information		
(Business Segments):		
A. Segment Revenue:		
Transmission	1,85,139.53	1,73,165.98
Metal Forming	49,465.06	47,131.81
Total	2,34,604.59	2,20,297.79
B. Segment Results:		
Transmission	31,682.08	28,632.12
Metal Forming	6,119.22	5,509.04
Total	37,801.30	34,141.16
Less: (i) Interest	807.72	660.39
(ii) Other unallocable expenditure net off unallocable income	522.25	(549.90)
Profit before Tax	36,471.33	34,030.67
Less: Provision for taxation	9,321.76	8,797.87
Profit after Tax	27,149.57	25,232.80

C. Other Information

Particulars	As at 31.03.2024				
	Segment Assets	Segment Liabilities	Capital Expenditure	Depreciation	Non-cash expenditure excluding depreciation
Transmission	1,26,051.95	33,075.72	12,091.01	5,067.14	353.56
Metal Forming	43,879.52	13,707.04	4,891.97	2,728.29	(135.22)
Unallocated	53,734.71	12,765.35	-	-	-

Particulars	As at 31.03.2023				
	Segment Assets	Segment Liabilities	Capital Expenditure	Depreciation	Non-cash expenditure excluding depreciation
Transmission	1,14,771.97	26,588.58	3,824.61	5,275.12	46.23
Metal Forming	39,074.73	12,171.40	2,603.33	2,671.67	122.66
Unallocated	33,458.62	12,012.30	-	-	-

Note : Components of business segments are as under:

Transmission	Chains & Sprockets
Metal Forming	Fine Blanking, Machining and Wire drawing products

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	₹ in Lakhs	
	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
D. Secondary Segment Information (Geographical Segment)		
(1) Segment Revenue:		
Within India	1,95,040.37	1,75,147.51
Outside India	39,564.22	35,061.30
Total	2,34,604.59	2,10,208.81
(2) Segment Assets:		
Within India	2,10,975.51	1,73,956.50
Outside India	12,690.67	13,348.83
Total	2,23,666.18	1,87,305.33
(3) Capital Expenditure:		
Within India	16,789.27	3,699.84
Outside India	193.71	248.06
Total	16,982.98	3,947.90
32 DETAILS OF LEASING ARRANGEMENTS IND AS 116		
As Lessor		
a The Company has entered into operating lease arrangements for certain surplus facilities and equipments.		
Total rental and lease income recognized in the Statement of Profit and Loss	82.84	76.56
As Lessee		
b Interest expenses on lease liability	102.06	113.35
Expenses related to short term leases and lease of low value assets	534.96	480.25
Total cashflow for leases	1,044.80	956.09
33 EARNINGS PER SHARE		
Basic & Diluted:		
Continuing operations:		
Net profit after tax from continuing operations - In ₹ Lakhs	27,134.20	25,193.56
Profit attributable to Equity Shareholders - In ₹ Lakhs (A)	27,134.20	25,193.56
Total number of equity shares outstanding at balance sheet date.	3,13,92,416	3,13,92,416
Weighted average number of equity shares outstanding, considered for the purpose of computing Basic EPS (B)	3,13,92,416	3,13,92,416
Nominal value of Equity Shares - In ₹	10	10
Basic and Diluted Earnings Per Share-In ₹ (A/B)(Not annualized)	86.44	80.25

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
34 DEFERRED TAX LIABILITY (NET):		
Tax effect of items constituting deferred tax Liability:		
On difference between book balance and tax balance of fixed assets	868.20	1,163.85
On account of provision for right to use assets	339.02	208.75
On account of provision for lease liability	(385.27)	(260.32)
On account of provision for doubtful debts	(54.46)	(86.10)
On account of provision for contingencies	(251.68)	(251.68)
On account of provision for bonus	-	-
On account of provision for gratuity	136.27	91.07
On account of provision for leave salary	(110.69)	(105.54)
On account of provision for Investments in Shares	1,407.07	923.50
	1,948.46	1,683.53

Movement of Deferred Tax Liability				
₹ in Lakhs:				
Particulars of Assets / (Liabilities)	For the year 2023-24			
	Opening balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Closing Balance
Property, Plant and Equipment	1,112.28	(290.34)	-	821.94
Provision for employee benefits	(14.47)	40.05	-	25.58
Provision for doubtful trade receivables and advances	(86.10)	31.64	-	(54.46)
Investments measured using FV at OCI	923.50	-	483.58	1,407.08
Other disallowances	(251.68)	-	-	(251.68)
Total	1,683.53	(218.65)	483.58	1,948.46

For the year 2022-23				
Particulars of Assets / (Liabilities)	For the year 2022-23			
	Opening balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Closing Balance
Property, Plant and Equipment	1,230.57	(118.29)	-	1,112.28
Provision for employee benefits (including bonus)	(235.93)	221.46	-	(14.47)
Provision for doubtful trade receivables and advances	(39.58)	(46.52)	-	(86.10)
Investments measured using FV at OCI	637.00	-	286.50	923.50
Other disallowances	(251.68)	-	-	(251.68)
Total	1,340.38	56.65	286.50	1,683.53

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

- 35 The title deeds of immovable properties which are freehold, based on the registered sale deeds/transfer deed/conveyance deed/scheme of arrangements approved by Hon'ble high Courts & appropriate authorities and property tax receipts, are held in the name of the Company (other than the properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) as at Balance sheet date.
- 36 The Group has no proceedings initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- 37 No Scheme of Arrangement is approved u/s. 230 to 237 of the Companies Act for the Company.
- 38 The Group's borrowings from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements of current assets filed by the Group with banks or financial institutions are in agreement with the books of accounts.
- 39 The Group has no relationship with struck-off companies.
- 40 The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to or in any other person or entity, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 41 The Group has not been received any funds from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- 42 The Group has no income which has been surrendered or disclosed as income during the year in any of the tax assessments under the Income Tax Act 1961.
- 43 The Group has not traded/invested in crypto currency/ virtual currency during the Financial Year.
- 44 Loans and Advances in the nature of loan granted to Promoter, KMP and related parties: Nil
- 45 There are no charges or satisfaction of charges that are yet to be registered with Registrar of Companies beyond the the statutory period.
- 46 The Group has not issued any securities for a specific purpose.
- 47 The Group has utilised the borrowings from banks and financial institutions for the purpose for which it was availed.
- 48 There were no significant events that occurred after the Balance Sheet date apart from the ones mentioned in "Material Changes and commitments affecting the financial position between the end of the fiscal and date of the report" in the Board's report
- 49 **Recent Accounting pronouncements:**
As at the date of issue of financial statements, there are no new standards or amendments which have been notified by the MCA but not yet adopted by the Company. Hence, the disclosure is not applicable.
- 50 Previous year figures have been regrouped and reclassified, wherever necessary, to correspond with the current year's classification/disclosure.
- 51 Exceptional item represents subsidy received and Loss on sale of Assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

- 52 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.
- 53 The Company has made preferential allotment of share warrants to its Promoter and Promoter Group in compliance with Section 42 and Section 62 of the Companies Act, 2013. The funds raised through the preferential allotment of share warrants which remains unutilized as on the balance sheet date and held in a separate bank account.
- 54 The Company had acquired M/s RSAL Steel Private Limited (“RSAL”) through Corporate Insolvency Resolution Process approved by the Hon’ble National Company Law Tribunal vide its order dated 09.01.2024 for a consideration of ₹ 3,636.77 Lakhs. Consequently RSAL has become a wholly owned subsidiary with effect from that date.

55 Goodwill on Consolidation:

	As at 31.03.2024 ₹ in Lakhs	As at 31.03.2023 ₹ in Lakhs
Cost as at beginning of the year	1,718.53	1,542.30
Addition relating to acquisitions	883.77	-
Exchange differences on consolidation	6.85	176.23
Cost as at end of the year	2,609.15	1,718.53
Impairment as at beginning of the year	-	-
Charge for the year	-	-
Exchange differences on consolidation	-	-
Impairment as at end of the year	-	-
Net book value as at beginning of the year	1,718.53	1,542.30
Net book value as at end of the year	2,609.15	1,718.53

The additions relating to Goodwill pertains to the acquisition of M/s. RSAL Steel Private Limited during the year as a wholly owned subsidiary.

The Exchange Difference on consolidation pertains to fluctuations of Exchange Rate on goodwill for M/s. LGB USA Inc.

The goodwill is tested annually for impairment or more frequently if there are any indications that the goodwill may be impaired.

The management believes that no reasonably possible change in any of the key assumptions used in the value in use calculation would cause the carrying value of the CGU to materially exceed its recoverable value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

56 Related party disclosure

a) List of parties having significant influence

Associate Companies

NIL

Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel

Elgi Automotive Services Private Limited	Veena Coach Products
L.G.B. Auto Products Private Limited	G-Plast Private Limited
LG Farm Products Private Limited	Gedee Weiler Private Limited
LG Sports Private Limited	Metal Forms Private Limited
Super Transports Private Limited	Paatimachi Private Limited
Super Speeds Private Limited	Rajvirdhan Private Limited
LGB Forge Limited	Magriver Private Limited
Tribe Investments & Services Private Ltd	Netcon Technologies India P Limited
South West Engineering India Private Limited	D Engine Private Limited
Silent Chain India Private Limited	Prime Kart Zone Private Limited
Lakshmi Printers	

Key Management personnel

Sri. B. Vijayakumar	Executive Chairman
Sri. P. Prabakaran	Managing Director
Sri. Rajiv Parthasarathy	Executive Director
Sri. N. Rengaraj	Chief Financial Officer
Sri. M. Lakshmi Kanth Joshi	Senior General Manager (Legal) and Company Secretary

Relatives of Key Management Personnel

Relatives of Sri. B. Vijayakumar:	
Smt.Vijayashree V	Wife
Sri.V.Rajvirdhan	Son
Sri.Nithin Karivardhan	Son
Sri.Arjun Karivardhan	Son
Smt. Shreya Maithri	Son’s Wife
Smt.Rajsri Vijayakumar	Daughter
Sri.Rajiv Parthasarathy	Daughter’s Husband
Minor. Samriddhi Andal	Daughter’s Daughter
Minor.Vidhur Narayanan	Daughter’s Son
Relatives of Sri. P. Prabakaran:	
Sri.K. Palanichamy	Father
Smt.Rajalakshmi	Mother
Smt.D. Maheswari	Wife
Sri.P. Suryakumar	Son
Smt. J. Soumya	Son’s Wife

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Relatives of Sri. Rajiv Parthasarathy:	
Sri. KG Parthasarathy	Father
Smt. Mahalakshmi Parthasarathy	Mother
Smt.Rajsri Vijayakumar	Wife
Minor. Samridhi Andal Rajiv	Daughter
Minor.Vidhur Narayanan Rajiv	Son
Sri. Arjun Parthasarathy	Brother

As per our report of even date attached
For **SURI & CO.**

Chartered Accountants
Firm Registration No.: 0042835
M. SIVARAM
Partner
Membership No.211916

Place : Coimbatore
Date : 29.04.2023

For and on behalf of the Board of Directors

B. VIJAYAKUMAR
Executive Chairman
DIN: 00015583
N. RENGARAJ
Chief Financial Officer

P. PRABAKARAN
Managing Director
DIN : 01709564
M. LAKSHMI KANTH JOSHI
Senior General Manager
(Legal) and Company
Secretary ACS NO. A14273

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

a) Transactions during the year

S. No.	Nature of transactions	Others		Key Managerial Personnel		Relatives of key managerial personnel		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
1	Remuneration to Key Managerial Personnel	-	-	1,055.17	1,161.62	-	-	1,055.17	1,161.62
	Sri.B.Vijayakumar	-	-	464.53	728.74	-	-	464.53	728.74
	Sri.P. Prabakaran	-	-	326.35	276.72	-	-	326.35	276.72
	Sri.Rajiv Parthasarathy	-	-	157.18	57.98	-	-	157.18	57.98
	Sri.N.Rengaraj	-	-	62.00	57.05	-	-	62.00	57.05
	Sri.Lakshmi Kanth Joshi	-	-	45.11	41.13	-	-	45.11	41.13
2	Loan Receipts (Borrowings)	830.00	493.00	620.00	470.00	2,955.00	200.00	4,405.00	1,163.00
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel								
	L.G.Sports (P) Ltd	95.00	80.00	-	-	-	-	95.00	80.00
	LGB Auto Products (P) Limited	275.00	250.00	-	-	-	-	275.00	250.00
	LG Farm Products (P) Limited	155.00	90.00	-	-	-	-	155.00	90.00
	Super Speeds (P) Limited	305.00	23.00	-	-	-	-	305.00	23.00
	Silent Chain (P) Limited	-	50.00	-	-	-	-	-	50.00
	Key Managerial Personnel	-	-	620.00	470.00	-	-	620.00	470.00
	Sri.B.Vijayakumar	-	-	-	-	-	-	-	-
	Relatives of Key Managerial Personnel	-	-	-	-	2,955.00	200.00	2,955.00	200.00
	Smt.Rajsri Vijayakumar	-	-	-	-	2,955.00	180.00	2,295.00	1,385.00
3	Loan Repayment (Borrowing)	1,451.00	535.00	720.00	670.00	2,295.00	180.00	4,466.00	1,385.00
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel								
	L.G.Sports (P) Ltd	260.00	200.00	-	-	-	-	260.00	200.00
	LGB Auto Products (P) Limited	705.00	300.00	-	-	-	-	705.00	300.00
	LG Farm Products (P) Limited	170.00	-	-	-	-	-	170.00	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

S. No.	Nature of transactions	Others		Key Managerial Personnel		Relatives of key managerial personnel		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
		₹ in Lakhs							
	Silent Chain (P) Limited	95.00	-	-	-	-	-	95.00	-
	Super Speeds (P) Limited	221.00	35.00	-	-	-	-	221.00	35.00
	Key Managerial Personnel								
	Sri.B.Vijayakumar	-	-	720.00	670.00	-	-	720.00	670.00
	Relatives of Key Managerial Personnel								
	Smt.Rajsri Vijayakumar	-	-	-	-	2,295.00	180.00	2,295.00	180.00
4	Inter Corporate Deposit (Loan)								
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel								
	RSAL Steel Private Limited	-	-	-	-	-	-	-	-
5	Fixed Deposits Receipts (Borrowings)	110.00	-	-	-	-	-	110.00	-
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel								
	Silent Chain (P) Limited	110.00	-	-	-	-	-	110.00	-
6	Fixed Deposits Repayments (Borrowings)	10.00	45.00	22.80	88.00	-	7.00	32.80	140.00
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel								
	Silent Chain (P) Limited	10.00	45.00	-	-	-	-	10.00	45.00
	Key Managerial Personnel								
	Sri.P. Prabakaran	-	-	18.80	88.00	-	-	18.80	88.00
	Sri.N.Rengaraj	-	-	4.00	-	-	-	4.00	-
	Relatives of Key Managerial Personnel								
	Minor.Vidhur Narayanan	-	-	-	-	-	-	-	-
	Smt.D.Maheswari	-	-	-	-	-	7.00	-	7.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

S. No.	Nature of transactions	Others		Key Managerial Personnel		Relatives of key managerial personnel		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
		₹ in Lakhs							
7	Interest Receipt								
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel								
	RSAL Steel Private Limited	-	-	-	-	-	-	-	-
8	Interest Expense	37.67	80.57	89.36	104.14	61.64	15.38	188.67	200.09
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel								
	L.G.Sports (P) Ltd	3.37	22.31	-	-	-	-	3.37	22.31
	LGB Auto Products (P) Limited	13.98	45.50	-	-	-	-	13.98	45.50
	Silent Chain (P) Limited	8.46	-	-	-	-	-	8.46	-
	L G Farm Products (P) Limited	5.64	3.86	-	-	-	-	5.64	3.86
	Others	6.22	8.90	-	-	-	-	6.22	8.90
	Key Managerial Personnel								
	Sri.B.Vijayakumar	-	-	88.98	93.42	-	-	88.98	93.42
	Sri.P. Prabakaran	-	-	0.33	10.44	-	-	0.33	10.44
	Sri.N.Rengaraj	-	-	0.05	0.28	-	-	0.05	0.28
	Relatives of Key Managerial Personnel								
	Smt.Rajsri Vijayakumar	-	-	-	-	57.30	11.39	57.30	11.39
	Sri.V.Rajviradhan	-	-	-	-	0.70	-	0.70	-
	Minor.Samridhi Andar	-	-	-	-	1.82	1.75	1.82	1.75
	Minor.Vidhur Narayanan	-	-	-	-	1.82	1.75	1.82	1.75
	Smt.D.Maheswari	-	-	-	-	-	0.49	-	0.49
9	Equity Investment - LGB-USA								

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

₹ in Lakhs

S. No.	Nature of transactions	Others		Key Managerial Personnel		Relatives of key managerial personnel		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
10	Dividend Receipts	0.02	0.03	-	-	-	-	0.02	0.03
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel								
	Super Speeds Private Limited	-	-	-	-	-	-	-	-
	Others	0.02	0.03	-	-	-	-	0.02	0.03
11	Dividend Payments	793.56	719.69	553.59	518.99	349.17	378.55	1,696.32	1,617.23
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel								
	LGB Auto Products (P) Limited	296.96	262.50	-	-	-	-	296.96	262.50
	B Vijayakumar (Jeshta Family Pvt Trust)	251.15	234.00	-	-	-	-	251.15	234.00
	L G Farm Products (P) Limited	129.10	120.00	-	-	-	-	129.10	120.00
	L.G.Sports (P) Ltd	72.00	60.00	-	-	-	-	72.00	60.00
	Super Transports Private Limited	22.40	21.00	-	-	-	-	22.40	21.00
	Others	21.95	22.19	-	-	-	-	21.95	22.19
	Key Managerial Personnel								
	Sri.B. Vijayakumar	-	-	552.64	518.10	-	-	552.64	518.10
	Sri.P. Prabakaran	-	-	0.76	0.71	-	-	0.76	0.71
	Sri.N.Rengaraj	-	-	0.19	0.18	-	-	0.19	0.18
	Relatives of Key Managerial Personnel								
	Smt.Rajsri Vijayakumar	-	-	-	-	348.66	326.87	348.66	326.87
	Others	-	-	-	-	0.51	51.68	0.51	51.68
12	Rent Income	80.27	78.80	-	-	-	-	80.27	78.80
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel								
	LGB Forge Limited	58.62	56.70	-	-	-	-	58.62	56.70

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

₹ in Lakhs

S. No.	Nature of transactions	Others		Key Managerial Personnel		Relatives of key managerial personnel		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
	Super Transports Private Limited	11.85	11.85	-	-	-	-	11.85	11.85
	Others	9.80	10.25	-	-	-	-	9.80	10.25
13	Purchase of Materials, Spares & power	2,587.18	1,908.47	-	-	-	-	2,587.18	1,908.47
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel								
	LGB Forge Limited	1,609.38	865.31	-	-	-	-	1,609.38	865.31
	Lakshmi Printers	717.80	860.13	-	-	-	-	717.80	860.13
	G-Plast P Ltd	123.64	97.03	-	-	-	-	123.64	97.03
	Super Transports Private Limited	95.94	79.93	-	-	-	-	95.94	79.93
	Others	40.42	6.07	-	-	-	-	40.42	6.07
14	Processing/Conversion Charges payments	296.81	234.90	-	-	-	-	296.81	234.90
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel								
	Veena Coach Products	198.84	170.02	-	-	-	-	198.84	170.02
	Super Speeds Private Limited	2.40	45.75	-	-	-	-	2.40	45.75
	L.G.Sports (P) Ltd	62.32	5.10	-	-	-	-	62.32	5.10
	LGB Forge Limited	26.15	11.59	-	-	-	-	26.15	11.59
	Others	7.10	2.44	-	-	-	-	7.10	2.44
15	Sale of Materials, Stores and Service Charges	2,083.10	3,484.81	-	-	-	-	2,083.10	3,484.81
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel								
	Metal Forms (P) Limited	461.52	2,795.40	-	-	-	-	461.52	2,795.40
	LGB Forge Limited	1,617.35	597.44	-	-	-	-	1,617.35	597.44
	Others	4.23	91.97	-	-	-	-	4.23	91.97

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

₹ in Lakhs

S. No.	Nature of transactions	Others		Key Managerial Personnel		Relatives of key managerial personnel		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
16	Processing charges Receipts	93.78	152.22	-	-	-	-	93.78	152.22
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel								
	LGB Forge Limited	90.03	145.65	-	-	-	-	90.03	145.65
	Others	3.75	6.57	-	-	-	-	3.75	6.57
17	Sale of Property, Plant and Equipment	35.61	-	-	-	-	-	35.61	-
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel								
	LGB Forge Limited	35.61	-	-	-	-	-	35.61	-
18	Purchase of Property, Plant and Equipment	-	-	-	-	-	-	-	-
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel								
19	Issue of Share Warrants	484.50	-	646.00	-	484.50	-	1,615.00	-
	Enterprises owned or significantly influenced by Key Managerial Personnel and Relatives of Key Managerial personnel								
	LGB Auto Products (P) Limited	242.25	-	-	-	-	-	242.25	-
	L G Sports (P) Limited	242.25	-	-	-	-	-	242.25	-
	Key Managerial Personnel	-	-	-	-	-	-	-	-
	Sri. B. Vijayakumar	-	-	646.00	-	-	-	646.00	-
	Relatives of Key Managerial Personnel	-	-	-	-	-	-	-	-
	Smt. Rajsri Vijayakumar	-	-	-	-	484.50	-	484.50	-
		8,893.50	7,732.49	3,706.92	3,012.75	6,145.31	780.93	18,745.73	11,526.17

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

₹ in Lakhs

b) Balance outstanding at the end of the year

S. No.	Nature of transactions	Others		Key Managerial Personnel		Relatives of key managerial personnel		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
1	Receivable balance	252.56	1,361.95	-	-	-	-	252.56	1,361.95
	LGB Forge Limited	222.02	353.30	-	-	-	-	222.02	353.30
	Metal Forms (P) Limited	29.30	999.12	-	-	-	-	29.30	999.12
	Others	1.24	9.53	-	-	-	-	1.24	9.53
2	Payable balance	32.57	328.07	-	-	-	-	32.57	328.07
	LGB Forge Limited	7.51	242.22	-	-	-	-	7.51	242.22
	Others	25.06	85.85	-	-	-	-	25.06	85.85
3	Unsecured borrowings balance	242.00	863.00	-	100.00	760.00	100.00	1,002.00	1,063.00
	L G Sports Limited	15.00	180.00	-	-	-	-	15.00	180.00
	LGB Auto Products (P) Limited	35.00	465.00	-	-	-	-	35.00	465.00
	Silent Chain (P) Limited	-	95.00	-	-	-	-	-	95.00
	Super Speeds Private Limited	107.00	23.00	-	-	-	-	107.00	23.00
	L G Farm Products (P) Limited	85.00	100.00	-	-	-	-	85.00	100.00
	Sri.B.Vijayakumar	-	-	-	100.00	-	-	-	100.00
	Smt.Rajsri Vijayakumar	-	-	-	-	760.00	100.00	760.00	100.00

VALLAM VADAGAL PLANT





SCOOTER PRODUCTS

PLATE RAMP

- Precise dimensions for proper fitment
- Manufactured using customized Forming tool
- RM Galvanized steel has superior resistance to mechanical damage

V BUSH

- Impact Resistant Virgin Polymer
- High Wear Resistance
- Shake Free Fitment

CLUTCH WEIGHT ROLLER

- Self Lubricating Virgin Polymer
- Over Moulded Roller Weights
- Rust Free Plated Metal
- Precise metal weight produced in cold forging process

CLUTCH PULLEY KIT

- Customized metal forming tool creates accurate angles for CVT belt sliding
- Nitrided surface provides better rust prevention
- Smooth expansion and retraction of Pulley faces

5G TECH BELTS

- Better Life
- Smooth Transmission with improved efficiency
- Low Noise
- High Temperature Resistance

FACE COMP FIXED DRIVE

- Precise teeth provides optimum fit with starter pinion gear and smooth power flow
- The precise splines ensures optimum fit with crank shaft
- Specialized case carburizing process provides better rust prevention and wear resistance

FACE COMP BOSS

- Hard Chromed for Better Wear Resistance
- Induction Hardened for Better Durability
- Precise dimensions provides optimum fit with crank shaft and CVT clutch assembly

BENDIX

- High Quality Spring
- Sintered Bearing bushes for self lubrication
- Strict Quality Control for ensuring function

FACE COMP MOVABLE DRIVE

- Smooth Pathway for Clutch Weight Rollers
- Smooth Belt Sliding Surface
- Sintered Bush with Solid Lubricants



INDIA BIKE WEEK, GOA - DECEMBER 2023



ACMA - AUTOMOTIVE AFTERMARKET EXPO, COIMBATORE - SEPTEMBER 2023



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