

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31.03.2020

(Rs. In Lakhs)

Sl. No.	Particulars	Quarter ended			Year ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Audited	Unaudited	Audited	Audited	
1	Revenue from operations	1,859.83	2,505.19	3,198.52	10,114.10	13,163.90
2	Other Income	53.74	14.90	8.55	82.06	144.89
3	Total Revenue (1) + (2)	1,913.57	2,520.09	3,207.07	10,196.16	13,308.79
4	Expenses					
	(a) Cost of materials consumed	824.23	806.00	1,880.17	4,483.98	7,543.25
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(18.25)	497.18	(323.26)	436.46	(847.85)
	(c) Employee benefits expense	415.19	434.39	532.70	1,808.71	2,040.96
	(d) Finance costs	90.82	49.97	183.78	253.34	489.21
	(e) Depreciation and amortisation expense	166.03	99.57	51.00	442.02	320.47
	(f) Other expenses	555.86	632.32	818.50	2,835.64	3,557.04
	(g) Total expenses (a) to (f)	2,033.88	2,519.43	3,142.89	10,260.15	13,103.08
5	Profit before exceptional and extraordinary items and tax (3 - 4)	(120.31)	0.66	64.18	(63.99)	205.71
6	Exceptional Items	-	-	-	-	-
7	Profit before extraordinary items and tax (5 + 6)	(120.31)	0.66	64.18	(63.99)	205.71
8	Extraordinary Items	-	-	-	-	-
9	Profit before tax (7 + 8)	(120.31)	0.66	64.18	(63.99)	205.71
10	Tax expense					
	(a) Current tax	-	-	-	-	-
	(b) Deferred tax	-	-	-	-	-
11	Net Profit for the period (9 - 10)	(120.31)	0.66	64.18	(63.99)	205.71
12	Other comprehensive Income, net of Income-tax					
	(a) Items that will not be reclassified to Profit or Loss	64.54	-	(3.54)	64.54	(7.05)
	(b) Items that will be reclassified to Profit or Loss	-	-	-	-	-
	Total other comprehensive income, net of income-tax	64.54	-	(3.54)	64.54	(7.05)
13	Total comprehensive income for the period (11 + 12)	(55.77)	0.66	60.64	0.55	198.66
14	Paid up Equity Share Capital [Face Value Re. 1/-]	2,382.02	2,382.02	2,382.02	2,382.02	2,382.02
15	Earnings per equity share (Rs.)					
	(i) Basic	-0.05*	0.00*	0.03*	-0.03	0.09
	(ii) Diluted	-0.05*	0.00*	0.03*	-0.03	0.09
	* not annualised					



Sl. No.	Particulars	Rs. In Lakhs	
		Year ended	
		31.03.2020	31.03.2019
Audited			
A	ASSETS		
1	Non-current assets		
	(a) Property, Plant and Equipments	2,621.59	2,374.18
	(b) Capital work-in-progress	14.20	7.43
	(c) Intangible assets	90.58	120.62
	(d) Financial assets		
	(i) Other financial assets	80.95	107.40
	(e) Other non-current assets	75.77	80.02
		2,883.09	2,689.65
2	Current assets		
	(a) Inventories	1,884.96	2,516.46
	(b) Financial assets		
	(i) Trade receivables	2,146.72	2,549.75
	(ii) Cash and cash equivalents	11.40	5.15
	(iii) Other bank balances	16.04	14.99
	(iv) Loans	7.89	13.85
	(v) Other financial assets	27.32	104.86
	(c) Current tax Asset(Net)	60.31	34.24
	(d) Other current assets	70.23	293.36
		4,224.87	5,532.66
	Total Assets	7,107.96	8,222.31

Sl. No.	Particulars	Rs. In Lakhs	
		Year ended	
		31.03.2020	31.03.2019
Audited			
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity Share capital	2,382.02	2,382.02
	(b) Other Equity	803.49	802.94
		3,185.51	3,184.96
2	Liabilities		
	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	143.58	377.57
	(ii) Lease liabilities	292.06	0.00
	(b) Provisions	80.24	113.65
		515.88	491.22
3	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	800.90	478.00
	(ii) Trade payables	2,025.74	3,349.49
	(iii) Other financial liabilities	562.42	684.99
	(b) Provision	10.26	18.72
	(c) Other current liabilities	7.24	14.93
		3,406.56	4,546.13
	Total Liabilities	7,107.96	8,222.31



Statement of Cashflow for the year ended 31st March, 2020

Rs. in Lakhs

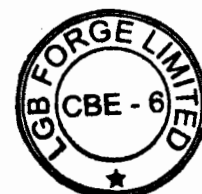
Particulars	For the Year ended 31 March, 2020	For the year ended 31 March, 2019
A. Cash flow from operating activities		
Net Profit before Tax	(63.99)	205.71
Adjustments for:		
Depreciation	442.02	320.47
Net (gain) / Loss on foreign exchange reinstatement	(50.12)	(52.03)
Profit/Loss on sale of assets	(2.55)	(0.91)
Assets condemned/Written off	0.19	-
Interest Income	(7.02)	(7.09)
Interest and Finance Charges	253.34	489.21
	<u>635.86</u>	<u>749.66</u>
Operating profit before working capital changes	571.87	955.36
Changes in Working Capital		
Inventories	631.50	(1,202.28)
Trade Receivables	453.15	(692.11)
Other Assets	337.33	(325.55)
Trade Payables	(1,323.75)	1,343.91
Other Liabilities	(165.33)	(112.49)
	<u>(67.11)</u>	<u>(988.52)</u>
Cash generated from operations	504.76	(33.16)
Income tax paid, net of refunds received	(26.07)	(8.33)
Net Cash generated from operating activities (A)	478.69	(41.49)
B. Cash flow from Investing activities		
Purchase of PPE (including changes in CWIP)	(329.44)	(1,537.85)
Proceeds from sale of fixed assets	13.35	2.12
Bank Balances not considered as cash and cash equivalents	1.05	(12.00)
Interest Income	7.02	7.09
Net cash used in Investing activities (B)	(308.02)	(1,540.64)
C. Cash flow from financing activities		
Proceeds from issue of Share Capital	-	882.00
Securities Premium from issue of Share Capital	-	1,764.02
Repayment of Borrowings	88.91	(571.99)
Interest and Finance Charges	(253.34)	(489.21)
Net cash used in financing activities (C)	(164.43)	1,584.82
Net (decrease)/increase in cash and cash equivalents (A) + (B) + (C)	6.25	2.69
Cash and Cash Equivalents at the beginning of the year	5.15	2.46
Cash and Cash Equivalents at the end of the year	11.40	5.15

Notes:

- The above results of the Company for the quarter/year ended 31st March, 2020 have been reviewed by the Audit Committee and have been approved by the Board of Directors at its meeting held on 20th June, 2020
- The Financial results for the quarter/year ended 31st March, 2020 have been audited by the Statutory auditors of the Company
- The Company has adopted Ind AS 116 "Leases" with effect from 1st April, 2019. The Company has measured Right-of-use Asset and Lease Liability for Rs.347.73 Lakhs based on the remaining lease period and payments discounted using the incremental borrowing rate as of the date of initial application. Resulting impact in the financial results of the current period is an increase of Rs.68.07 Lakhs and Rs.32.65 Lakhs in Depreciation for Right-of-use assets and finance costs on Lease Liability respectively and a decrease in lease rent cost of Rs. 88.31 Lakhs.
- The outbreak of COVID-19 pandemic and the resulting lockdown enforced from 23rd March 2020 has affected the Company's regular operations. In assessing the recoverability of Company's assets such as Property, Plant and Equipment, Trade Receivables, Inventories etc the company has considered available information upto the date of approval of these financial results and expect to recover the carrying amount of the assets. The Company's operations were impacted by the closure of the Company by 9 days by the end of March'20 due to COVID-19 effect.
- The figures for the quarter ended 31st March, 2020 is the balancing figures of audited figures of the financial year ended 31st March, 2020 and published unaudited figures for the nine months ended 31st December, 2019.
- Previous period figures have been regrouped/reclassified to make them comparable with those of current period.

By order of the Board
For L.G.B FORGE LIMITED

V. RAJVIDHAN
MANAGING DIRECTOR
DIN : 00156787



COIMBATORE
20.06.2020



N.R. Doraiswami & Co

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT ON AUDIT OF STANDALONE FINANCIAL RESULTS

To

THE BOARD OF DIRECTORS OF

LGB FORGE LIMITED

COIMBATORE.

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying standalone financial results of **LGB Forge Limited** (the "company") for the quarter and year ended March 31, 2020 (the "statement"), being submitted the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net loss and other comprehensive income and other financial information of the company for the quarter and year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial results under the provisions of the Companies Act, 2013 and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note No.4 of the statement which describes the impact of Covid-19 pandemic, and its possible consequential implications, on the company's operations. Our opinion is not modified in respect of this matter.





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Management's Responsibilities for the Standalone Financial Results

These standalone financial results have been prepared on the basis of the standalone financial statements. The Company's Management and Board of Directors are responsible for the preparation and presentation of these standalone financial results that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard, prescribed, under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.





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- Conclude on the appropriateness of the Management and the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For **N.R.DORAISWAMI & CO.**
Chartered Accountants
Firm Registration No.: 000771S


(SUGUNA RAVICHANDRAN)
Partner
Membership No.: 207893



Place : Coimbatore
Date : 20.06.2020
UDIN : 20207893AAAAIF7960



LGB FORGE LIMITED

Admin Office : 8/1238, Trichy Road,

Coimbatore - 641 018.

Tel : 0422 4951884

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: 533007	Symbol: LGBFORGE

LGBFORGE/SEC/STK-BM-2020

20.06.2020

Dear Sirs,

Sub: Declaration with respect to Auditor's Report with unmodified opinion to the Audited Financial Results for the Financial Year Ended March 31, 2020

Pursuant to Regulation 33(3)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we do hereby confirm that the Statutory Auditors of the Company M/s.N.R.Doraiswami & Co., (Firm Registration No.000771S) have not expressed any modification opinion in its Audited Financial Results of the Company, for the Financial year ended March 31, 2020.

Kindly take the same on record

Thanking You,

Yours faithfully,

For LGB Forge Limited


V.Rajvir dhan
Managing Director
(DIN : 00156787)