



## LGB FORGE LIMITED

CIN: L27310TZ2006PLC012830

Registered Office: 6/16/13, Krishnarayapuram Road, Ganapathy, Coimbatore – 641006

Phone: 0422-2532325 Fax: 0422-2532333

Email: [secretarial@lgbforge.com](mailto:secretarial@lgbforge.com) Website: [www.lgbforge.com](http://www.lgbforge.com)

### NOTICE OF POSTAL BALLOT

(Pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, each as amended)

Voting Starts on	Wednesday, November 29, 2023 at 09.00 a.m.
Voting Ends on	Thursday, December 28, 2023 at 05.00 p.m.

**Dear Member(s),**

Notice is hereby given that the resolution set out hereunder is proposed for the approval of the members of LGB Forge Limited ("**Company**") by means of Postal Ballot through e-voting process ("**E-voting**"), pursuant to Section 110, Section 108 and other applicable provisions, if any of the Companies Act, 2013 ("**the Act**") read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 ("**Rules**") including any statutory modifications or re-enactments thereof for the time being in force as amended from time to time, read with the General Circular No. 11/2022 dated December 28, 2022 (in continuation to the circulars issued earlier in this regard) issued by the Ministry of Corporate Affairs ("**MCA Circulars**"), Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India ("**SS-2**") and pursuant to other applicable laws and regulations.

Members' consent is sought for the proposal contained in the resolution given in the Postal Ballot Notice. The Explanatory Statement pursuant to Section 102 and other applicable provisions of the Act, pertaining to the said resolution setting out the material facts and the related particulars, is annexed hereto. The Notice will also be placed on the website of the Company at [www.lgbforge.com](http://www.lgbforge.com) and the website of Central Depository Services (India) Limited ("**CDSL**") at [www.evotingindia.com](http://www.evotingindia.com) The Notice can also be accessed from the website of the Stock Exchange i.e., National Stock Exchange of India Limited ("**NSE**") at [www.nseindia.com](http://www.nseindia.com) and BSE Limited ("**BSE**") at [www.bseindia.com](http://www.bseindia.com) ("**Stock Exchanges**").

In compliance with the MCA Circulars, the business of the Postal Ballot shall be transacted through electronic voting system. Accordingly, in compliance with Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of Section 108, 110 and other applicable provisions of the Companies Act, 2013 read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, MCA Circulars and SS-2, the Company is pleased to provide to the Members, (whether holding shares in physical or demat form) the facility to exercise their right to vote on the matter included in the notice of the Postal Ballot by electronic means i.e., through e-voting services provided by CDSL. The instructions for e-voting are appended in this Postal Ballot Notice.

The Board of Directors of the Company, at its meeting held on November 27, 2023, has appointed Mr. P. Eswaramoorthy, holding Membership No. FCS 6510 and Certificate of Practice No. 7069 of M/s. P. Eswaramoorthy and Company, Company Secretaries in Practice, Coimbatore as the Scrutinizer for conducting the voting through electronic means in a fair and transparent manner in compliance with Rule

22(5) & (6) of the Companies (Management and Administration) Rules, 2014. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.

Please note that there will be no dispatch of physical copies of Postal Ballot Notice or Postal Ballot Forms to the members of the Company and no physical ballot forms will be accepted.

The members shall exercise their right to vote on the matter included in the notice of the Postal Ballot by electronic means i.e., through e-voting services provided by CDSL. The e-voting period will commence on **Wednesday, November 29, 2023 at 09.00 a.m.** and will end on **Thursday, December 28, 2023 at 05.00 p.m.** Members are requested to carefully read the instructions given in this Postal Ballot Notice and record their assent (FOR) or dissent (AGAINST) through the e-voting process not later than 05.00 p.m. on Thursday, December 28, 2023. E-voting will be blocked by CDSL immediately thereafter and voting will not be allowed beyond the said date and time.

Upon completion of the scrutiny of the votes cast in a fair and transparent manner, the Scrutinizer will submit his report to the Chairman of the Company or in his absence, any Director/any other person authorized by the Board of Directors of the Company. The results of e-voting by Postal Ballot (with the Scrutiniser Report) will be announced by the Chairman of the Company or any Director / any other person authorized by the Board on or before Saturday, December 30, 2023. The results of the Postal Ballot will be posted on the Company's website [www.lgbforge.com](http://www.lgbforge.com) and the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com) and will be displayed on the Notice Board of the Company at its Registered Office. The results will also be intimated to the Stock Exchanges.

In the event, the draft resolution as set out in the notice is assented to by the requisite majority by means of e-voting, it shall be deemed to have been passed at a General Meeting.

#### **SPECIAL BUSINESS**

##### **1. Approval of material related party transactions between the Company and M/s. L.G. Balakrishnan & Bros Limited.**

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

**"RESOLVED THAT** pursuant to the provisions of Section 2(76) and 188 and other applicable provisions of Companies Act, 2013 ("the Act") read with rules made thereunder and provisions of Regulation 2(1)(zc) and 23 (4) and other applicable regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as amended from time to time, other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded, to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include the Audit Committee), to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), between the Company and M/s. L.G. Balakrishnan & Bros Limited, a related party (as defined under the Act), on such terms and conditions as may be mutually agreed for an aggregate value not exceeding Rs. 60 Crores (Rupees Sixty Crores only) for a period until the conclusion of the next 18<sup>th</sup> Annual General Meeting of the Company, with respect to sale, purchase or supply of any goods or materials, selling or otherwise disposing of or buying, leasing of property of any kind including movables, availing or rendering of any services or any other transaction of whatever nature, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm's length pricing basis and in the ordinary course of business on such principal terms as further explained in the statement under Section 102 of the Act annexed hereto.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplate in this Resolution, be and is hereby approved, ratified and confirmed in all respect.”

**2. Approval of Material Related Party Transaction in connection with sale of Pondicherry Plant to M/s. L.G. Balakrishnan & Bros Limited as a going concern on a slump sale basis and other incidental transactions / matters.**

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

**“RESOLVED THAT** pursuant to the provisions of Regulation 23(4), 37A and other applicable provisions, if any, of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013 along with the rules made thereunder including any amendments, modifications, variations or re-enactments thereof, the Company’s policy on Related Party Transactions, provisions of the Memorandum and Articles of Association of the Company and as per the recommendations / approval of the Audit Committee and the Board of Directors of the Company and subject to such other approvals, consents, permissions, sanctions of any authorities as may be necessary, approval of the Members of the Company be and is hereby accorded to sell or otherwise dispose off in one or more tranches, whole or substantially the whole of the undertaking of the Company viz., Pondicherry Plant situated at R.S.No.74/2B, Madukarai Main Road, Mangalam, Villianur Commune, Puducherry – 605 110 of the Company together with all specified tangible and intangible assets and liabilities, including land, contracts, licenses, permits, employees, rights, obligations, consents, approvals in relation to the said Undertaking, as a going concern on a slump sale basis on an “as is where is” basis (as defined under Section 2(42C) read with Section 50B of the Income Tax Act, 1961), to M/s. L.G. Balakrishnan & Bros Limited, having CIN : L29191TZ1956PLC000257, being a related party of the Company within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for a total consideration of Rs. 15 Crores (Rupees Fifteen Crores only) on such terms and conditions as may be mutually agreed and as the Board may determine and deem fit in the best interest of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, Sri. B. Vijayakumar, Chairman (DIN: 00015583) and Smt. Rajsri Vijayakumar, Managing Director (DIN: 00018244) of the Company be and is hereby severally authorized to do all things and to take all incidental and necessary steps to do all such acts and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution and to do and perform or cause to be done all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto, and to settle and finalize all issues, questions or difficulties that may arise in this regard, and delegate all or any of the powers herein conferred to any officer(s) / authority(ies) / person(s) of the Company, without further referring to the Members of the Company, including without limitation, finalizing and executing necessary agreements, deeds of assignments and such other documents as may be necessary or expedient in its own discretion and in the best interest of the Company.

**RESOLVED FURTHER THAT** all actions taken by the Board of Directors / Audit Committee in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

**By Order of the Board of Directors  
For LGB Forge Limited**

Sd/-

**K. Kousalya  
Company Secretary and Compliance Officer  
(Membership No. ACS 68426)**

**Date:** November 27, 2023

**Place:** Coimbatore

Notes:

1. A statement Annexed to the Postal Ballot Notice and as required under Section 102, 110 and other applicable provisions of the Companies Act, 2013, read with the Rules made thereunder, as amended, setting out material facts and reasons for the aforesaid Special Resolution is appended herewith.
2. The Board of Directors on November 27, 2023 has appointed Mr. P. Eswaramoorthy, holding Membership No. FCS 6510 and Certificate of Practice No. 7069 of M/s. P. Eswaramoorthy and Company, Company Secretaries in Practice, Coimbatore as the Scrutinizer to conduct the Postal Ballot through remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose. The Company has engaged the services of Central Depository Services (India) Limited ("**CDSL**") as the agency to provide e-voting facility enabling the members to cast their votes electronically in a secure manner.
3. In conformity with the present regulatory requirements, the Postal Ballot Notice is being sent only through electronic mode to those members whose names appear in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories on Friday, November 17, 2023 ("**Cut-off date**") and who have registered their e-mail addresses with the Company or with the Depositories.
4. Voting rights of the Members shall be in proportion to the shares held by them in the paid-up equity share capital of the Company as on the "Cut-off date". Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date will be entitled to cast their votes by remote e-voting. A person who is not a member as on the Cut-off date should treat this Postal Ballot Notice for information purposes only. This Notice is also available on the Company's website [www.lgbforge.com](http://www.lgbforge.com) and also on the website of Stock Exchanges, i.e., [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and on the website at CDSL at [www.evotingindia.com](http://www.evotingindia.com).
5. If your e-mail address is not registered with the Company/Depositories, please follow the process provided in the Notes to receive this Postal Ballot Notice.
6. The Scrutinizer shall submit the results of the remote e-voting along with his report to the Chairman or any other Directors of the Board upon completion of the scrutiny of the votes cast through remote e-voting. The results of the Postal Ballot will be announced at or before 5.00 p.m. (IST) on Saturday, December 30, 2023. The said results along with the Scrutinizer's Report would be uploaded on the website of the Company [www.lgbforge.com](http://www.lgbforge.com) and also would be communicated to the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and Central Depository Services (India) Limited ("CDSL") at [www.evotingindia.com](http://www.evotingindia.com). The Company will also display the results of the Postal Ballot on the notice board of the Company at its Registered Office at 6/16/13, Krishnarayapuram Road, Ganapathy, Coimbatore – 641 006 within 2 days from the submission of the report by the Scrutinizer. The results shall also be communicated to the stock exchanges.
7. A Special Resolution to be considered as duly passed must receive not less than three times of the votes cast in favour of the resolution. Such votes may be cast by Postal Ballot Remote E-voting.
8. The Resolution, if passed by requisite majority through Postal Ballot shall be deemed to have been passed at a General Meeting of the Members of the Company. Further in terms of Clause 16.6.3. of Secretarial Standard-2, the resolution will be deemed to have been passed on the last day of voting, i.e. Thursday, December 28, 2023.

9. As per the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and also in terms of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing members a facility to exercise their right to vote on the postal ballot by electronic means and the business may be transacted through remote e-voting services provided by Central Depository Services (India) Limited. A Member cannot exercise his vote by proxy on postal ballot.
10. All the material documents referred to in the explanatory statement will be available for inspection at the registered office of the Company during office hours on all working days from the date of dispatch until the last date for receipt of votes by Postal Ballot/e-voting i.e. Thursday, December 28, 2023.
11. A member cannot exercise his vote by proxy in case of Postal Ballot.
12. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice /documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to give their consent by providing their e-mail addresses to the Company or to M/s. Cameo Corporate Services Limited, Registrar and Share Transfer Agent of the Company.

#### **Instruction for Remote e-voting**

In compliance with provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended, the Company is pleased to offer e-voting facility as an alternate, to all the Shareholders of the Company. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) to enable the Shareholders to cast their votes electronically.

The instructions for shareholders for remote e-voting are as under:

Step 1 : Access through Depositories CDSL / NSDL e-voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

a) The remote e-voting period commences **from 9:00 A.M. (IST) on Wednesday, November 29, 2023 and ends at 5.00 P.M. (IST) on Thursday, December 28, 2023**. During this period, the Members of the Company holding shares either in physical form or in dematerialized form, as on the **Cut-Off Date of Friday, November 17, 2023**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

b) Once the vote on the resolution is cast by member, he/she shall not be allowed to change it subsequently or cast the vote again.

c) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 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 its 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 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.

**Step 1: Access through Depositories CDSL/ NSDL e-voting system in case of individual shareholders holding shares in demat mode.**

d) 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 aforesaid SEBI Circular, login method for remote e-voting for Individual shareholders holding securities in mode with CDSL / NSDL is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<p>1) 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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi Tab.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting 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 &amp; 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.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on</p>

	<p>registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b></p>	<p>1) 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: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> 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.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS “Portal or click at: <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> 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.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b></p>	<p>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.</p>



**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

**e) 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 <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2: Access through CDSL E-voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

1. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
2. Click on “Shareholders” module.
3. 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.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
6. If you are a first-time user follow the steps given below:

<b>For Physical Shareholders and other than individual shareholders holding shares in Demat mode</b>	
PAN	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"> <li>• 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.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	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"><li>• 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.</li></ul> |
|--|--|

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 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 and 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.
- 18. Additional Facility for Non – Individual Shareholders and Custodians:**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - 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.

- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- 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.
- Alternatively, Non Individual shareholders are required 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 [secretarial@lgbforge.com](mailto:secretarial@lgbforge.com) if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**19. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY / DEPOSITORIES.**

- For Physical shareholders - 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 [secretarial@lgbforge.com](mailto:secretarial@lgbforge.com) / RTA at [investor@cameoindia.com](mailto:investor@cameoindia.com).
- For Demat shareholders:- Please update your email id & mobile no. with your respective Depository Participant (DP).
- For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting.

If you have any queries or issues regarding remote e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto: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 Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at toll free no. 1800 22 55 33.

## EXPLANATORY STATEMENT

As required by Section 102(1) and 110 of the Companies Act, 2013 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, the following Explanatory Statement sets out the material facts relating to business set out in the Notice.

### 1. Approval of material related party transactions between the Company and M/s. L.G. Balakrishnan & Bros Limited.

M/s. L.G. Balakrishnan & Bros Limited (LGB) is a Related Party as defined under Section 2 (76) of the Act read with Regulation 2 (1) (zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company is proposing to enter into certain business transactions with a related party for a period until the conclusion of the next 18th Annual General Meeting of the Company. The nature of transactions is in the form of sale, purchase or supply of any goods or materials, selling or otherwise disposing of or buying, leasing of property of any kind including movables, availing or rendering of any services or any other transaction of whatever nature with M/s. L.G. Balakrishnan & Bros Limited (LGB). All transactions to be entered into by the Company with LGB are in the ordinary course of business and are at arm's length basis and necessary approvals as required in compliance of the provisions under the Act / SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have already been obtained from the Audit Committee/ Board.

It may be noted that as per the amended definition provided in the explanation to Regulation 23 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is effective from 01st April, 2022, a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs.1,000 Crores or ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity i.e. Rs. 11.60 Crores (10% of Rs. 116 Crores), whichever is lower. Further, all Material Related Party Transactions require prior approval of the Members through a Resolution, and no related party shall vote to approve such resolution whether an entity is a related party to the particular transaction or not. The aggregate limit of transactions with M/s. L.G. Balakrishnan & Bros Limited for a period until the conclusion of the 18th Annual General Meeting of the Company are estimated to be Rs. 60 Crores (Rupees Sixty Crores only) and this amount exceeds the threshold limit Rs. 11.60 Crores, one of the criteria as prescribed in the amended definition of Material Related Party Transactions under Regulation 23 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and therefore this would be considered as Material Related Party Transaction(s). Accordingly, it requires approval of the Company by way of passing of an Ordinary Resolution under Regulation 23 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has already obtained approval from shareholders for entering into material related party transactions with M/s. L.G. Balakrishnan & Bros Limited for a limit not exceeding Rs. 40 Crores (Rupees Forty Crores only) during the Annual General Meeting held on 25<sup>th</sup> September, 2023 for a period of one year.

Approval of the Members of the Company is therefore being sought for the enhanced limit in terms of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by way of passing of an Ordinary Resolution for approval to the aforesaid Material Related Party Transactions to be entered into with M/s. L.G. Balakrishnan & Bros Limited as stated above.

Relevant documents, if any, in respect of the said item are available in electronic form for inspection by the Members of the Company upto the last date of the remote e-voting.

No related party shall vote to approve such resolution(s) whether an entity is a related party to the particular transaction or not.

The Directors, Key Managerial Personnel or their relatives holding shares of the Company may be deemed to be concerned or otherwise interested in the said Ordinary Resolution only to the extent of their shareholding.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution as set out in Item No.1 of the Notice for approval by the Members.

**DETAILS OF THE PROPOSED RELATED PARTY TRANSACTION BETWEEN THE COMPANY AND M/S. L.G. BALAKRISHNAN & BROS LIMITED, INCLUDING THE INFORMATION REQUIRED TO BE DISCLOSED IN THE EXPLANATORY STATEMENT PURSUANT TO THE SEBI CIRCULAR NO. SEBI/HO/CFD/CMD1/CIR/P/2021/662 DATED 22ND NOVEMBER, 2021, ARE AS FOLLOWS:**

S. No.	Particulars	M/s. L.G. Balakrishnan & Bros Limited
1	Type, material terms and particulars of the proposed transaction	As detailed below in S.no. 4. All transactions to be entered are at arm's length.
2	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	M/s. L.G. Balakrishnan & Bros Limited is a promoter group company holds 12.17% of Share Capital.
3	Tenure of the proposed transaction (particular tenure shall be specified)	Recurring Nature and the approval is for a period until the conclusion of 18 <sup>th</sup> Annual General Meeting of the Company.
4	Value of the proposed transaction	Overall aggregate limit of Rs. 60 Crores with respect to the transactions as detailed hereunder: 1.Purchase of any goods or materials or services. 2.Sale of any goods or materials or services. 3.Selling or otherwise disposing of property of any kind.* 4.Buying of property of any kind.* 5.Rent/leasing of property of any kind.* 6.Any other transactions * Property of any kind includes movables.
5	Value of RPT as % of Company's audited *consolidated annual turnover of Rs. 116 Crores for the previous financial year 2022-23.	34.50%

	*(As the Company doesn't require consolidating its accounts, the details have been entered based on the standalone audited turnover of the Company).	
6	<p>If the transaction relates to any loans, inter-corporate deposits, advances, or investments made or given by the listed entity or its subsidiary:</p> <p>i) details of the source of funds in connection with the proposed transaction.</p> <p>ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances, or investments,</p> <ul style="list-style-type: none"> <li>• nature of indebtedness.</li> <li>• cost of funds; and</li> <li>• tenure.</li> </ul> <p>iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and</p> <p>iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT</p>	Not Applicable
7	Justification as to why the RPT is in the interest of the listed entity;	RPT pricing mechanism would be as per arm's length criteria based on the market price or alternative pricing method or relevant materials and /or services. Arrangement is commercially beneficial.
8	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders;	Not Applicable
9	Name of the Directors or Key Managerial Personnel interested and their nature of relationship.	Sri. B. Vijayakumar, Promoter & Director Smt. Rajsri Vijayakumar, Promoter & Managing Director

10	Any other information that may relevant.	All relevant information is set out in the statement under Section 102 of the Act forming part of this Notice.
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**2. Approval for Material Related Party Transaction in connection with sale of Pondicherry Plant to M/s. L.G. Balakrishnan & Bros Limited as a going concern on a slump sale basis and other incidental transactions / matters.**

Your Board of Directors at their meeting held on November 27, 2023 has recommended and approved the sale of its Pondicherry Plant located at R.S. No. 74/2B, Madukarai Main Road, Mangalam, Villianur Commune, Puducherry – 605110 to M/s. L.G. Balakrishnan & Bros Limited as a going concern on a slump sale basis.

In terms of Section 180(1)(a) of the Companies Act, 2013 (the “Act”), and Regulation 37A and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the Members is required by way of a special resolution to sell, dispose off or otherwise transfer of the whole or substantially the whole of any undertaking.

For this purpose, a related party transaction will be considered ‘material’ if the transaction(s) to be entered individually or taken together with previous transactions during a financial year exceeds Rs. 1,000 Crores or 10% of the annual consolidated turnover of the listed company as per the last audited financial statements of the listed company, whichever is lower. The materiality threshold for the Company for this purpose shall be 10% of the annual consolidated turnover as per the last audited financial statements i.e. Rs. 15 Crores (Rupees Fifteen Crores only). Since the sale of Pondicherry Plant to M/s. L.G. Balakrishnan & Bros Limited as a going concern on a slump sale basis and other incidental transactions / matters, exceed the aforesaid 10% threshold, it will be considered as a material related party transaction.

**DETAILS AS REQUIRED UNDER REGULATION 37A AND CONTINUOUS DISCLOSURE REQUIREMENTS AS PER REGULATION 30 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

1.	Business division being divested through slump sale.	Machining Division at Pondicherry Plant															
2.	Amount and percentage of the turnover or revenue or income and networth contributed by such unit or division of the listed entity during the last financial year.	<p>The financial details based on last financial year 2022-23 is mentioned below:</p> <p style="text-align: right;">(Rs. in Lakhs)</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Operating Turnover</th> <th>%</th> <th>Net Worth</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>LGB Forge Limited</td> <td>11,621.97</td> <td>100%</td> <td>3,016.68</td> <td>100%</td> </tr> <tr> <td>Pondicherry Plant</td> <td>2,469.19</td> <td>21.24%</td> <td>1321.53</td> <td>43.80%</td> </tr> </tbody> </table>	Particulars	Operating Turnover	%	Net Worth	%	LGB Forge Limited	11,621.97	100%	3,016.68	100%	Pondicherry Plant	2,469.19	21.24%	1321.53	43.80%
Particulars	Operating Turnover	%	Net Worth	%													
LGB Forge Limited	11,621.97	100%	3,016.68	100%													
Pondicherry Plant	2,469.19	21.24%	1321.53	43.80%													
3.	Date on which the agreement for sale has been entered into	The Business Transfer Agreement with M/s. L.G. Balakrishnan & Bros Limited is expected to be executed within 30 days, subject to requisite processes and approvals.															

4.	The expected date of completion of sale / disposal	Subject to satisfaction of conditions precedent identified under the Business Transfer Agreement (BTA) between the Company and M/s. L.G. Balakrishnan & Bros Limited, the slump sale is expected to be completed on or before March 10, 2024.
5.	Consideration received / to be received from such sale / disposal	Rs. 15 Crores.
6.	Brief Details of buyers and whether any of the buyers belong to the Promoter / Promoter Group / Group Companies. If yes, details thereof.	The Plant is being sold to M/s. L.G. Balakrishnan & Bros Limited, belonging to the Promoter Group and holding 12.17% of the total share capital of the company.
7.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at arm's length?	<p>The transaction falls under the ambit of related party transactions, since M/s. L.G. Balakrishnan &amp; Bros Limited is the Promoter Group holding 12.17% shares in the Company. The Transaction is done at arm's length basis and as per book value.</p> <p>The Transaction has been approved by the Audit Committee and the Board of Directors. The Company will seek Shareholders' approval in relation to the transaction.</p>
8.	Whether the sale, lease or disposal of the undertaking is outside the Scheme of Arrangement? If yes, details of the same including compliance with Regulation 37A of SEBI (LODR) Regulations, 2015.	<p>The Slump Sale is being undertaken through a Business Transfer Agreement between the Company and M/s. L.G. Balakrishnan &amp; Bros Limited.</p> <p>The proposed sale falls under the threshold limits of "Undertaking" in terms of Section 180(1)(a) of the Companies Act, 2013. Accordingly, the provisions of Regulation 37A of SEBI (LODR) Regulations, 2015 are captured in the explanatory statement.</p>
9.	Rationale of the Slump Sale	To mobilize resources for profitable areas of operations.
10.	Area of Business of the entity	<p>The Company is engaged in the manufacture of Forged and Machined Components.</p> <p>The Pondicherry Plant is engaged in the business of machining.</p> <p>M/s. L.G. Balakrishnan &amp; Bros Limited will carry out the business of Pondicherry Plant after the transfer of the said business is duly effected with effect from the effective date.</p>
11.	Brief Details of change in shareholding pattern (if any) of listed entity.	There will be no change in the shareholding of the Company.



12.	End Use of the Proceeds	The end use of the proceeds will be utilized as follows:  1. Towards repayment of Bank Borrowings – Rs. 8 Crores 2. Towards Capital Expenses – Rs. 4 Crores. 3. Towards Working Capital – Rs. 3 Crores.
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**Concern or interest, financial or otherwise of Directors and Key Managerial Personnel and their relatives:**

Except Sri. B. Vijayakumar, Chairman and Non-Executive Director and Smt. Rajsri Vijayakumar, Managing Director, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No.2 of the Notice.

**By Order of the Board of Directors  
For LGB Forge Limited**

Sd/-

**K. Kousalya**

**Company Secretary and Compliance Officer  
(Membership No. ACS 68426)**

**Date:** November 27, 2023

**Place:** Coimbatore