

# LGB FORGE LIMITED

## CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

### Introduction:

This Code of Conduct ("the Code") shall be called "the Code of Conduct for Board Members and Senior Management Personnel" of **LGB FORGE LIMITED** (hereinafter referred to as "the Company"). The Code has been framed in compliance with the provisions of Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Applicability:

The Code of Conduct shall apply to:

1. All Directors of the Company, whether executive or non-executive including nominee directors.
2. Senior Management Personnel of the Company.

**"Senior Management Personnel"** shall mean the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.

The Code comes into immediate effect.

### Code:

The Company has adopted a Code of Conduct specifically for the members of the Board of Directors and / or members of the Senior Management of the Company which sets out as follows:

- To act in the best interests of, and fulfil fiduciary obligations to the Company, act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner and not take improper advantage of the position of Director.
- To comply with all applicable laws, rules and regulations.
- To act in good faith, responsibly with due care, competence and diligence, without allowing their independent judgement to be subordinated.
- To act in a manner to enhance and maintain the reputation of the Company.
- To disclose any personal interest that they may have regarding any matters that may come before the Board and abstain from discussion, voting or otherwise influencing decision on any matter in which the concerned Director has or may have such interest.
- To respect the confidentiality of information relating to the affairs of the Company acquired in the course of their service as Directors, while continuing as such a director and even after ceasing to be such a director, for reasonable period of say two years, except when authorised or legally required to disclose such information.

- Every Director and Senior Management Personnel should endeavour to ensure that they use the Company's assets, proprietary information and resources only for the legitimate business purpose of the Company and not for personal gains.
- Avoid using any information or opportunity received in the capacity as Directors for personal gain or in a manner that would be detrimental to the Company's interests.
- Abstain from discussion, voting or otherwise influencing decision on any matters that may come before the Board in which they may have a conflict or potential conflict of interest.
- Not to use confidential information acquired in the course of their service as Directors for their personal advantage or for the advantage of any other entity in which they have a director or indirect interest or where they occupy a position of board or executive responsibility with influence over their decisions.
- Help create and maintain a culture of high ethical standards and commitment to compliance.
- The Directors and Senior Management Personnel shall neither receive nor offer or make, directly or indirectly, any illegal payments, remuneration, gifts, donations or comparable benefits which are intended to or perceived to obtain business or uncompetitive favours for the conduct of its business.
- The Directors and Senior Management Personnel shall endeavour to provide equal opportunities to all employees and aspirants for employment in the Company irrespective of gender, caste, religion, race or colour, merit being the sole differentiating factor. The Directors and Senior Management Personnel shall prevent and redress sexual harassment at workplace and institute good employment practices.
- Attend Board / Shareholders / Committee Meetings and seek prior leave of absence from such meetings.
- Preserve and protect the environment with due concern for ecology, clean air and meet high levels of pollution and emission standards.
- Deal fairly with customers, suppliers, employees and other business partners.
- Respect safety and health of all employees and provide working conditions which are not harmful to death.
- Encourage employees to acquire skills, knowledge and training to expand/enhance their professional and specialised knowledge.
- Conduct business operations in compliance with competition laws and principles of fair market competition.
- Maintain high ethical and professional standards in all dealings.
- Not to conduct oneself in a manner as may bring disrepute to office or tarnish the reputation and image of the Company.
- Not take up any activities competing with the business of the Company.
- Make proper record of all financial transactions and not create undisclosed or unrecorded account / fund or asset.
- Co-operate with Government, Trade and Industry Association for and in the development of economic legislation concerning the business of the Company.

In addition, the Non-Executive Independent Directors shall also abide by the provisions of the Code of Independent Directors as provided in Schedule IV of the Companies Act, 2013, the relevant portion is enclosed herewith as **"Annexure A"**.

Once in every year, every Director must accord consent to comply and the Senior Management Personnel must give an undertaking for compliance of the same. New Directors shall accord their consent while joining the Board and New Senior Management Personnel shall give an undertaking

at the time when their employment begins. The aforesaid consent or undertaking shall be in line with **“Annexure B”** attached herewith. Annual consent / undertaking must be provided by the Directors and the Senior Management Personnel within 15 days from the end of the financial year.

A director who has concerns regarding compliance with this Code of Conduct should raise concerns with the Whole Time Director of the Company who will deal the same. No waiver or suspension of any or all requirements of this Policy or any modifications of this Policy, shall be valid unless approved by the Board and formally minuted with reasons for such action.

\*\*\*\*\*

*(The amendments to this Code has been approved by the Board of Directors, at their meeting held on May 22, 2024 and the same has been made effective from that date).*

## CODE FOR INDEPENDENT DIRECTORS

### (Relevant Portions of Schedule IV read with Section 149(8) of the Companies Act, 2013)

The Code is a guide to professional conduct for Independent Directors. Adherence to these standards by Independent Directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment, community, particularly minority shareholders, regulators and companies in the institution of Independent Directors.

#### I. Guidelines of Professional Conduct:

##### An Independent Director shall:

- 1) Uphold ethical standards of integrity and probity.
- 2) Act objectively and constructively while exercising his duties.
- 3) Exercise his responsibilities in a bonafide manner in the interest of the Company.
- 4) Devote sufficient time and attention to his professional obligations for informed and balanced decision making.
- 5) Not allow any extraneous consideration that will vitiate his exercise of objective independent judgement in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgement of the Board in its decision making.
- 6) Not abuse his position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person.
- 7) Refrain from any action that would lead to loss of his independence.
- 8) Where circumstances arise which make an Independent Director lose his independence, the Independent Director must immediately inform the Board accordingly.
- 9) Assist the Company in implementing the best corporate governance practices.

#### II. Roles and Functions:

##### The Independent Directors shall:

- 1) Help in bringing an independent judgement to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- 2) Bring an objective view in the evaluation of the performance of board and management.
- 3) Scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.
- 4) Satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible.
- 5) Safeguard the interest of all stakeholders, particularly the minority shareholders.
- 6) Balance the conflicting interest of the stakeholders.
- 7) Determine appropriate levels of remuneration of Executive Directors, Key Managerial Personnel and Senior Management and have a prime role in appointing and where necessary recommend removal of Executive Directors, Key Managerial Personnel and Senior Management.

- 8) Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

### **III. Duties:**

The Independent Directors shall:

- 1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company.
- 2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company.
- 3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member.
- 4) participate constructively and actively in the committees of the Board in which they are chairpersons or members.
- 5) strive to attend the general meetings of the company.
- 6) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting.
- 7) keep themselves well informed about the company and the external environment in which it operates.
- 8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board.
- 9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company.
- 10) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use.
- 11) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy.
- 12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees.
- 13) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

**DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT**

To

The Company Secretary and Compliance Officer  
LGB Forge Limited  
6/16/13, Krishnarayapuram Road,  
Ganapathy Post,  
Coimbatore – 641 006

Dear Sir/Madam,

**Sub: Confirmation of compliance with the Code of Conduct for Board and Senior Management as per Regulation 26(3) read with Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

I, \_\_\_\_\_ do hereby solemnly affirm that to the best of my knowledge and belief, I have fully complied with the provisions of the Code of Conduct for Board and Senior Management during the financial year ended \_\_\_\_\_ and I am not aware of nor I am a party to any non-compliance with the said Code.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

Date: \_\_\_\_\_

Place: \_\_\_\_\_

\*This declaration shall be valid for the financial year \_\_\_\_\_.