



# LGB FORGE LIMITED

Admin Office : 8/1238, Trichy Road,

Coimbatore - 641 018.

Tel : 0422 4951884

SEC/Compliances/2023-24

Coimbatore, November 27, 2023

<b>BSE Limited</b> Phiroze Jeejeeboy Towers Dalal Street Mumbai – 400 001  <b>Scrip Code: 533007</b>	<b>The National Stock Exchange of India Limited</b> Exchange Plaza Bandra Kurla Complex Bandra (E), Mumbai – 400 051  <b>Symbol: LGBFORGE</b>
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## Sub: Outcome of the Meeting of the Board of Directors held on November 27, 2023.

Dear Sir / Madam,

The Board of Directors of LGB Forge Limited ("the Company") at its meeting held today, i.e., Monday, November 27, 2023, has approved to sell one of its undertakings of the Company situated at Pondicherry to M/s. L.G. Balakrishnan & Bros Limited as a going concern, on a slump sale basis.

Further, the details as required under Regulation 30(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 is enclosed herewith as **Annexure – I** and we would like to inform that the meeting of the Board of Directors of the Company commenced at 11.30 a.m. and concluded at 01.10 p.m.

The above information shall also be made available on Company's website [http://www.lgbforge.com/financial\\_results.html](http://www.lgbforge.com/financial_results.html)

You are requested to take the same on record and oblige.

Thanking you,

Yours faithfully,  
For LGB Forge Limited

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



Encl: As above.



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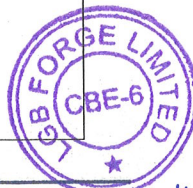
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## Annexure – I

### Disclosure under Regulation 30(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1.	Business division being divested through slump sale.	Machining Division at Pondicherry Plant
2.	The Amount and Percentage of the Turnover or Revenue or Income and Net Worth contributed by such unit or division of the listed entity during the last financial year.	During the Financial Year Ended 31 <sup>st</sup> March, 2023, the Pondicherry Plant contributed Rs. 2469.19 Lakhs in Revenue (21.24 % of the revenue of the Company) and Rs. 1321.53 Lakhs to the net worth of the Company (43.80 % of the Net worth).
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	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 from such Sale	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 an 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>



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8.	Additionally, in case of slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale.	Not Applicable
9.	Rationale of the Slump Sale	To mobilize the 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 the Pondicherry Plant after the transfer of the said business is duly affected 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	<p>The end use of the proceeds will be utilized as follows:</p> <ol style="list-style-type: none"><li>1. Towards repayment of bank borrowings – Rs. 8 Crores</li><li>2. Towards Capital Expenses – Rs. 4 Crores</li><li>3. 3. Towards Working Capital – Rs. 3 Crores.</li></ol>

