



L.G. BALAKRISHNAN & BROS LIMITED

SUSTAINABILITY POLICY:

LGB is committed to ensure its sustained performance in business as well as in production, supply and ensuring its social responsibilities are met as per the company's commitment.

In line with its commitment to sustainability LGB has evolved over the years, various policy's which are the ribs to the sustainability policy which forms the backbone connecting all these policies.

All these policies combine to create a comprehensive direction to all employees as well as to the management and to the stakeholders of the company.

These policies are listed below.

1. Quality
2. Production
3. Human Resources
4. Intellectual property
5. Environmental Occupational Health and Safety policy
6. Business ethic and CSR
7. Stakeholders
8. Marketing
9. Risk Management and Counterfeit parts adressal

A. Quality

- a) All goods leaving the factory premises shall have been produced according to the quality standards expected by the customer and shall not be found inferior to the competitive parts found in the market place.
- b) All resources used in the production shall be qualitative in both the fixed assets as well as by using trained dedicated human resources
- c) Effective practice of QMS system at all level of manufacturing
- d) Methodology - Define Measure Analyze Improve Control for process improvement towards Zero defect part production

B. PRODUCTION

- a) Production methods appropriate to the product to be manufactured shall be followed to produce qualitative parts.
- b) Trained human resources who are dedicated to the job at hand shall be developed and motivated appropriately



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- c) Shall follow the environmental policy and create a healthy manufacturing atmosphere.
- d) Shall create a healthy social atmosphere for the human resources by way of its corporate social spending
- e) Shall ensure the safety of the management staff and workers by methodology as well as by training

C. HUMAN RESOURCES

- a) All personnel, trainees , parttime employees and whole time employees in all catagories including management shall be treated with respect.
- b) Appropriate training courses and classes shall be conducted to prepare the employee carry out his work.
- c) Appropriate motivation shall be provided by various programmes from time to time.
- d) Safety training programs, safety audit and awareness creation is an integral part of this policy and no employees shall be employed if they are minors or affected by health issues which could affect other employees.
- e) Company does not beleive in gender bias and apart from an equal pay policy shall ensure that there is no sexual harrasment.
- f) All employees shall be made aware of environmental issues, unnecesary waste and personal health awareness.
- g) The privacy of the promoters management staff and workers shall all be governed by the law prevailing in the country

D. INTELLECTUAL PROPERTY (IP)

- a) Company shall respect intellectual property (IP) and conduct its business in compliance with the IP-related laws as applicable and shall actively protect its own IP.





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- b) In the course of doing business a customer's knowhow may be utilized with the customers' acceptance to manufacture his product such knowledge shall be kept confidential.

E. ENVIRONMENTAL OCCUPATIONAL HEALTH AND SAFETY POLICY.

- a) To organize a safe and smooth working atmosphere.
- b) Optimize natural resources by effective utilisation and waste reduction elimination.
- c) Encourage innovation to prevent environmental hazard injury ill health and to monitor through EOHS objectives continual improvement.
- d) Comply with all statutory compliance obligation.
- e) Enhance environmental and occupational health and safety awareness through training and development.

F. BUSINESS ETHIC

No persons including the promoters, directors, the management staff or workers shall

- a) Accept any benefit from other connected persons or corporates in return for favours of any kind which are not authorized by the company
- b) Carry out any act or voice any statement which will be at cross purposes to the company and there by create a conflict of interest.
- c) May carryout any transaction which conflicts with the company directives such as SEBI guidelines, factories act, company law board etc.
- d) The company shall be fair in all its dealings whether with vendors customers or suppliers
- e) The company shall not do any transaction which is illegal or bared by the law of the country where the transaction takes place



G. CORPORATE SOCIAL RESPONSIBILITY:

- a) The company draws majority of its workers from various locations from the geographical location of its factories
- b) At various periods these locations are subject to hardships such as those caused by weather or natural calamities
- c) The employee's social surroundings dictate the mental makeup of the employee which affects the quality of the life of the employee
- d) In order to mitigate the negative effects company earmarks specific percentage of its profits and allocates to the specific areas which need such support.

H. STAKEHOLDERS

The Company shall from time to time define the returns targeted by the Company in terms of growth and commercial aspects. Within this frame work, the Company will strive to meet the expectations from the Customers, Suppliers, employees, Vendors, Investors and lenders.

The Company assures its stakeholders especially its investors that the Company will be responsive, responsible and build a relationship with mutual respect and trust with all its stakeholders and will be quick in its response to various market conditions.

I. MARKETING:

The primary objective of the marketing module will be to create customer satisfaction, to maintain a healthy supplier consumer relationship and service the requirements of the customers on time.

Some of the Company's products are proprietary products and supplied to both OEMs and Aftermarket and the marketing cell will operate a good surveillance system to address such operators legally.

J. RISK MANAGEMENT:

The Company will take appropriate steps to assess the risks that each location faces with its products or manufacturing programme. The location will outline the necessary steps to be taken to mitigate such risks. The company will make available the necessary resources to avert such risks and take necessary steps to safeguard the Company.





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K. COUNTERFEIT PARTS ADDRESSAL

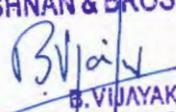
The Company will police in the market and take action on counterfeiters. The Company manufacturers Timing Chains, Oil pump Chains & Drive Chains, which are proprietary in nature. These parts are supplied both to OEMs and Aftermarket with the good surveillance system, where counterfeiters will be booked.

A part of our manufacturing programme, is where we manufacture and supply engineered parts as per the Customer drawing and specification. These parts are only supplied to the Customer directly and appropriate steps will be taken in consultation with our customer to prevent any misuse.

L. Approval and Amendments

This Policy was approved by the Board of the Company at its meeting held on 31-01-2019. Any amendment to the policy will be done with the approval of the Audit/Board of the LGB Limited. This Policy should be reviewed every two years or earlier if required by a change in circumstances

For L.G. BALAKRISHNAN & BROS LTD.


B. VIJAYAKUMAR
Chairman and Managing Director
DIN No.: 00015583