



Lloyds Steels Industries Limited



**28th Annual
Report
2021-22**

LLOYDS STEELS INDUSTRIES LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Mukesh R. Gupta (DIN: 00028347)	Chairman & Whole Time Director (w.e.f. 31.05.2021)
Mr. Satyendra Narain Singh (DIN: 00398484)	Independent Director
Smt. Bela Sundar Rajan (DIN: 00548367)	Independent & Women Director
Mr. Ananthsubramanian Lakshman (DIN: 08648489)	Independent Director
Mr. KishorKumar Mohanlal Pradhan (DIN: 02749508)	Independent Director
Mr. Ashok Kumar Sharma (DIN: 09352764)	Independent Director (w.e.f. 14.10.2021)
Mr. Ashok Tandon (DIN: 00028301)	Non-Executive Director (w.e.f. 01.04.2021)
Mr. Rajashekhar Mallikarjun Alegavi (DIN: 03584302)	Non-Executive Director

CHIEF FINANCIAL OFFICER

Mr. Kalpesh Prakash Agrawal

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Meenakshi Ankit Pansari (ACS No.-53927)

BUSINESS HEADS

❖ Mr. Shree Krishna Gupta	Executive Vice President
❖ Mr. Sudhir Dwivedi	Chief Operating Officer (Engineering Division)
❖ Mr. Sameer Tawade	Chief Operating Officer (Civil & Construction)
❖ Mr. Saiprasad Ganggishetti	Vice President (Marketing & Contracts)
❖ Mr. Shreekant Vijay Nagraj	Asst. Vice President (Marketing & Projects)

AUDITORS

Statutory Auditors:

M/s. Todarwal & Todarwal LLP,
12, Maker Bhavan No.3,
1st Floor, 21, New Marine Lines,
Mumbai – 400 020
Maharashtra

Cost Auditors:

M/s. Manisha & Associates,
238, Shri Ram Shyam Towers,
2nd Floor, Near N.I. T Sadar,
Nagpur – 444 001, Maharashtra

Secretarial Auditors:

M/s. H.Maheshwari & Associates,
D-107, Crystal Plaza,
Opp. Infinity Mall, New Link
Road, Near D. N. Nagar Metro,
Andheri West, Mumbai – 400053

Internal Auditors:

Arun Todarwal & Associates LLP
104, Maker Bhavan No. 3,
1st Floor, 21- New Marine Lines
Mumbai- 400 0020

CORPORATE IDENTIFICATION NUMBER:

CIN: L28900MH1994PLC081235

BANKERS

HDFC Bank Limited	Union Bank of India
Bank of Maharashtra	Citizencredit Co-Operative Bank

REGISTERED OFFICE

Plot No. A-5/5, MIDC Industrial Area, Murbad,
Dist. Thane – 421 401 – Maharashtra

CORPORATE OFFICE

A-2, Madhu Estate, 2nd Floor,
Pandurang Budhkar Marg, Lower Parel (W),
Mumbai 400 013 Maharashtra
Tel.: +91 6291 8111
E-Mail: infoengg@lloyds.in

WORKS

Plot Nos. A-5/5, A-5/4 & A-6/3, MIDC Industrial Area,
Murbad, Dist. Thane – 421 401 Maharashtra

REGISTRAR & SHARE TRANSFER AGENT

BIGSHARE SERVICES PRIVATE LIMITED

Office No S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai – 400093. Maharashtra
Phone : 022-6263 8222/223/236
Fax : 022-6263 8299

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28th Annual General Meeting

Date: Saturday, 13th August, 2022

Time: 2:00 P.M.

Through Video Conferencing (VC)/
Other Audio-Visual Means (OAVM)

NOTICE

NOTICE is hereby given that the Twenty-Eighth (28th) Annual General Meeting of the Members of the **Lloyds Steels Industries Limited** will be held on **Saturday, 13th August, 2022 at 2:00 P.M.(IST)** through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the year ended 31st March, 2022, including Audited Financial Statements consisting Profit & Loss Account for the year ended 31st March, 2022 and Balance Sheet as on 31st March, 2022 along with the Reports of the Board of Directors and Auditors thereon.
2. To declare 5% Dividend on Equity Shares for the Financial Year ended 31st March, 2022.
3. To appoint a Director in place of Mr. Rajasekhar M. Alegavi (DIN:03584302), who retires by rotation and being eligible, offers himself for re- appointment.
4. To appoint M/s. S Y Lodha and Associates, Chartered Accountants (ICAI Firm Registration No. 136002W) as Statutory Auditors of the Company in the place of M/s Tadarwal & Tadarwal LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No. 111009W/W100231) the retiring Statutory Auditors and to authorise the Board of Directors of the Company to fix their remuneration.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. S Y Lodha and Associates, Chartered Accountants (ICAI Firm Registration No. 136002W), be and are hereby appointed as the Statutory Auditors of the Company in the place of M/s Tadarwal & Tadarwal LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No. 111009W/W100231) the retiring Statutory Auditors, to hold the office from the conclusion of this 28th Annual General Meeting until the conclusion of the 33rd Annual General Meeting of the Company to be held in the year 2027 at such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses in connection with the Audit as may be mutually agreed upon between the Board of Directors of the Company and the Auditors.

SPECIAL BUSINESS:

5. Ratification of Remuneration of Cost Auditor

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force] and pursuant to the recommendation of the Audit Committee, the remuneration payable to M/s. Manisha & Associates, Cost Accountants, Nagpur (Firm Registration No. 000321), appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2023, amounting to ₹ 35,000 (Rupees Thirty-Five Thousand only) (plus Goods and Services Tax and reimbursement of out-of-pocket expenses) be ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary proper or expedient to give effect to this Resolution.

6. Approval for the revised limits of Related Party Transaction(s) with Lloyds Metals and Energy Limited (“LMEI”).

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’) as amended from time to time, the applicable provisions of the Companies Act, 2013 (‘Act’) read with Rules made thereunder, other applicable laws/statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), and the Company’s policy on Related Party Transactions, and on the basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the Members be and is hereby accorded to the Board of Directors of the Company to continue and/or enter into sale, purchase, supply and service Contract(s)/ arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) with Lloyds Metals and Energy Limited, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, and also approval is thereby accorded to increase the maximum value of transactions from ₹ 350 Crores to ₹ 1100 Crores till the execution and/or termination of these Contract(s)/ Arrangement(s)/ Transaction(s), provided that the said Contract(s)/ Arrangement(s)/ Transaction(s) shall be carried out in the ordinary course of business of the Company and in respect of transactions with related parties under Section 2(76) of the Act, are at arm’s length basis.

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RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any of the Director(s) or Chief Financial Officer or Company Secretary or to any other Officer(s)/Authorized Representative(s) of the Company and to do all such acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.

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

7. Increase in threshold of Loans/ Guarantees, Providing of Securities and Making of Investments in Securities Under Section 186 of the Companies Act, 2013

To consider and if thought fit to pass, with or without modification, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in supersession of the special resolution passed by the shareholders in their Annual General Meeting held on 31st August, 2016, and pursuant to the provisions of Section 186 of the Companies Act, 2013, read with The Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force), if any, consent of the shareholders of the Company be and is hereby accorded to (a) give any loan to any person(s) or other body corporate(s); (b) give any guarantee or provide security in connection with a loan to any person(s) or other body corporate(s); and (c) acquire by way of subscription, purchase or otherwise, securities of any other body corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding ₹ 350,00,00,000 (Rupees Three Hundred and Fifty Crores Only) outstanding at any time, notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are and which may be individual/aggregate in excess of the limits prescribed i.e over and above 60% of the Company's paid up share capital, security premium account and free reserves or 100% of the Company's free reserves and security premium amount, whichever is more.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, any of the Directors and/or Company Secretary of the Company, be and are hereby severally authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to all matters arising out of and incidental thereto and to sign and to execute deeds, applications,

documents and file returns with Registrar of Companies, that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

8. Increase in Borrowing Limits Under Section 180(1)(c) of the Companies Act, 2013.

To consider and if thought fit to pass, with or without modification, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in supersession of the special resolution passed by the shareholders in their Annual General Meeting held on 31st August, 2016, pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, the consent of the shareholders of the Company be and is hereby accorded to the Board of Directors to borrow money, as and when required, from, including without limitation, any Bank and/ or other Financial Institution and/or foreign lender and/or anybody corporate/ entity/ entities and/or authority/authorities, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding a sum of ₹ 300,00,00,000 (Rupees Three Hundred Crores Only), notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

9. Approval for payment of Technical Consultancy Charges/Fees to Non-Executive Directors of the Company as per Regulation 17(6)(a) of SEBI (LODR) Regulations, 2015

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Regulation 17(6)(a) of SEBI (Listing Obligations & Disclosure Requirements)

Regulations, 2015 as amended from time to time, the consent of the Members of the Company be and is hereby accorded for payment of Technical Consultancy Charges/Fees to Non-Executive Directors of the Company i.e. Mr. R.M. Alegavi, Non-Executive Director and Mr. Ashok Tandon, Non- Executive Director not exceeding to 2 Crores combinedly and aggregately in any Financial Year for the consultancy provided/given by them on the project basis.

RESOLVED FURTHER THAT the members of the Company be and is hereby ratifies the limit of ₹ 2 crores for payment of Technical Consultancy Charges/Fees to Non-Executive Directors of the Company i.e. Mr. R.M. Alegavi, Non-Executive Director and Mr. Ashok Tandon, Non-Executive Director the Company during the Financial Year 2020-21.

RESOLVED FURTHER THAT all actions taken by the Board 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
For Lloyds Steels Industries Limited**

**Sd/-
Meenakshi A. Pansari
Company Secretary
ACS – 53927**

**Date: 11th May, 2022
Place: Mumbai**

NOTES:

1. The Annual General Meeting (AGM) will be held on **Saturday, 13th August, 2022 at 2:00 P.M. (IST)** through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) in compliance with the applicable provisions.
2. The Ministry of Corporate Affairs (“MCA”) allowed conducting Annual General Meeting (“AGM”) through Video Conferencing (“VC”) or Other Audio-Visual Means (“OAVM”) and dispensed physical presence of the Members at a common venue. Accordingly, MCA issued Circular No. 20/2020 dated 5th May, 2020 read with Circular No. 14/2020 dated 8th April, 2020, Circular No. 17/2020 dated 13th April, 2020, Circular No. 02/2021 dated 13th January, 2021, Circular No. 19/2021 dated 8th December, 2021 and Circular No. 02/2022 dated 05th May, 2022 (hereinafter collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide Circular Nos. SEBI/HO/CFD/CMD1CIR/P/2020/79 dated 12th May, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 (hereinafter collectively referred to as SEBI Circulars) prescribing the procedures and manner of conducting the AGM through VC/OAVM. In terms of the said Circulars, the 28th AGM of the Members will be held through VC/OAVM mode. Hence, Members can attend and participate in the AGM through VC/OAVM only.

The detailed procedure for participating in the Meeting through VC/OAVM is given below.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
 4. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting. Body Corporates whose Authorized Representatives are intending to attend the Meeting through VC/OAVM are requested to send mail to the Company at email Id mapansari@lloyds.in, a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting and through E-voting.
 5. In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with Finance Act 2020, with effect from April 1, 2020, dividend declared and paid by the Company is taxable in the hands of shareholders and the Company is required to deduct tax at source (TDS) from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof.
- The shareholders are requested to update their PAN with the Company / Bigshare (in case of shares held in physical mode) and depositories (in case of shares held in demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to address tds@bigshareonline.com by 11:59 p.m. IST on 5th August, 2022. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.
6. The dividend for the year ended 31st March, 2022 as recommended by the Board and if sanctioned at the Annual General Meeting, will be paid subject to deduction of Tax at Source to those members whose names appear on the Company's Register of Members on **6th August, 2022**. In respect of shares held in demat form, the dividend will be paid to the beneficial owners of shares as per details furnished by the Depositories for the purpose. The dividend shall be paid on or before 9th September, 2022.
 7. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address,

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telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,

- a. **For shares held in electronic form:** to their Depository Participants (DPs)
 - b. **For shares held in physical form:** to the Company/ Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/ MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021. The Company has sent letters along with Business Reply Envelopes (BRE) for furnishing the required details
8. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition.

Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website and on the website of the Company's Registrar and Transfer Agents. It may be noted that any service request can be processed only after the folio is KYC Compliant.

9. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website <https://www.lloydsengg.in/investor-contact/>. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to the Company/ Registrar and Transfer Agent in case the shares are held in physical form.
10. Those Shareholders whose email IDs are not registered can get their Email ID registered as follows:
- Members holding shares in demat form can get their E-mail ID registered by contacting their respective Depository Participant.
 - Members holding shares in the physical form can get their E-mail ID registered by contacting our

Registrar and Share Transfer Agent "Bigshare Services Private Limited" on their email ID investor@bigshareonline.com or by sending the duly filled in E-communication registration form enclosed with this Notice to our RTA on their email id investor@bigshareonline.com.

11. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
12. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Instructions and other information for members for attending the AGM through VC/OAVM are given in this Notice under **Note No. 27**.
13. As the Annual General Meeting of the Company is held through Video Conferencing/OAVM, we therefore request the members to submit questions if any at least 10 days in advance but not later than 8th August, 2022 relating to the business specified in this Notice of AGM on the Email ID mapansari@lloyds.in.
14. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2014 relating to the Ordinary and Special Business to be transacted at the Annual General Meeting is annexed hereto.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar and Share Transfer Agent.
16. Members who wish to inspect the Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Companies Act, 2013 and Relevant documents referred to in this Notice of AGM and explanatory statement on the date of AGM in electronic mode can send an email to mapansari@lloyds.in.
17. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under **Note No. 26**.
18. Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of SEBI (LODR) Regulations, 2015 the

Register of Members and Share Transfer Books of the Company will remain closed from **Sunday, 7th August, 2022 to Saturday, 13th August, 2022 (both days inclusive)**;

19. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
20. Pursuant to Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and in line with the MCA Circulars, the Notice calling the AGM and Annual Report has been uploaded on the website of the Company at <https://www.lloydsengg.in/annual-reports/>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and is also available on the website of e-voting agency CDSL at the website address <https://www.evotingindia.com/>.
21. Members desiring any information as regards to Accounts or any other matter to be placed at the AGM, are requested to write 10 days in advance to the Company through email on mapansari@lloyds.in. The same will be replied by the Company suitably.
22. Members are requested to notify any changes, in their address to the Company's Registrar & Share Transfer Agent, M/s. Bigshare Services Pvt. Ltd., Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093. Maharashtra.
23. Members are requested to quote their Folio No. or DP ID / Client ID, in case shares are in physical / dematerialized form, as the case may be, in all correspondence with the Company / Registrar and Share Transfer Agent.
24. Shareholders of the Company holding shares either in physical form or in Dematerialized forms as on Benpos date i.e. **15th July, 2022** will receive Annual Report for the Financial Year 2021-22 through electronic mode only.
25. As per the MCA General Circular 20/2020 dated 05th May, 2020 and 02/2021 dated 13th January, 2021, the Annual Report will be sent through electronic mode to only those Members whose email IDs are registered with the Registrar and Share Transfer Agent of the Company/ Depository participant.
26. Information and other instructions relating to e-voting are as under:
 - a. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the

Company is pleased to provide to its member's facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system. ('**remote e-voting**').

- b. The Company has engaged the services of Central Depository Services Limited ("CDSL") as the Agency to provide e-voting facility.
- c. The Board of Directors of the Company has appointed M/s. K.C. Nevatia & Associates, Practicing Company Secretary (C.P.No.2348), as the Scrutinizer, to scrutinize the e-voting during the AGM and remote e-voting process prior to AGM in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- d. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member/ Beneficial Owner (in case of electronic shareholding) as on the cut-off date i.e. **6th August, 2022**.
- e. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. **6th August, 2022** only shall be entitled to avail the facility of remote e-voting OR e-voting at the AGM.
- f. The Scrutinizer, after scrutinizing e-voting at the AGM and remote e-voting, will, not later than two working days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.lloydsengg.in. The results shall simultaneously be communicated to the Stock Exchange.
- g. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e., **13th August, 2022**.
- h. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently or cast the vote again.

The instructions for shareholders voting electronically are as under:

- 1) The voting period begins on **9th August, 2022 at 9.00 a.m. and ends on 12th August, 2022 at 5.00 p.m.** During this period, Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 6th August, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (2) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.

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(3) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, 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. 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 a 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.

(4) 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 above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>1) Users of who have opted for CDSL's 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 URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company.</p>

	<p>Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.</p>
Individual Shareholders holding securities in demat mode with NSDL	<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: https://eservices.nsdl.com 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 or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p>

	<p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ 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 or joining virtual meeting & voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<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's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</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 abovementioned website.

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 CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 224430

(5) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders.

- i. The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- ii. Click on **"Shareholders"** tab.
- iii. 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. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next enter the Image Verification as displayed and Click on Login.

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- v. If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RAO0000001 in the PAN Field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the Member ID / folio number in the Dividend Bank details field as mentioned in instruction (v).

- vi. After entering these details appropriately, click on **"SUBMIT"** tab.
- vii. Members holding shares in physical form will then directly reach the Company selection screen. However, Members 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.

- viii. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN for **"LLOYDS STEELS INDUSTRIES LIMITED"** on which you choose to vote.
- x. 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.
- xi. Click on the **"RESOLUTIONS FILE LINK"** if you wish to view the entire Resolution details.
- xii. 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.
- xiii. Once you **"CONFIRM"** your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take out print of the voting done by you by clicking on **"Click here to print"** option on the Voting page.
- xv. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on **Forgot Password &** enter the details as prompted by the system.

(6) Facility for Non – Individual Shareholders and Custodians – Remote Voting

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to 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.
- 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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- 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 infoengg@lloyds.in and mapansari@lloyds.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

(7) Process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:

- 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 **Company/RTA email id**.
 - For Demat shareholders -, please provide Demat account details (CDSL-16-digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to **Company/RTA email id**.
- (8) If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.
- (9) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43

27. INSTRUCTIONS AND OTHER INFORMATION FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote e-voting.
- The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
- Members whose email IDs are already registered with the Depository Participant/ Registrar and Share Transfer Agent of the Company and who are desirous to attend the AGM through VC/OAVM

can apply at infoengg@lloyds.in, mapansari@lloyds.in requesting for participation in the AGM, by giving their name as registered in the records of the Company, DPID/Client ID or Folio Number and the Registered email ID.

- Members who are desirous of attending the AGM through VC/OAVM and whose email IDs are not registered with the RTA of the Company/DP, may get their email IDs registered as per the instructions provided in **Point No. 10** of this Notice.
- Members who are desirous of attending the AGM may send their request by **8th August, 2022**. On successful registration with the company, the invitation to join the AGM will be sent to the Members on their registered email IDs latest by **10th August, 2022**. This will be done on first come first served basis, limited to 1000 members only. Due to security reason the invitation link to participate in the AGM will be shared on the registered email id of the Member only after successful registration with the Company.
- Members may attend the AGM, by following the invitation link sent to their registered email ID. Members will be able to locate Meeting ID/ Password and JOIN MEETING tab. By Clicking on JOIN MEETING, they will be redirected to Meeting Room via browser or by running Temporary Application. In order to join the Meeting, follow the step and provide the required details (mentioned above – Meeting ID/Password/Email Address) and Join the Meeting. Members are encouraged to join the Meeting through Laptops for better experience.
- In case of Android/I phone connection, Participants will be required to download and install the appropriate application as given in the mail to them. Application may be downloaded from Google Play Store/ App Store.
- Further Members will be required to allow Camera and use Internet audio settings as and when asked while setting up the meeting on Mobile App.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- The helpline number for joining the Meeting through Electronic Mode will be provided in the Meeting Invitation which will be sent to the eligible applicants.
- Institutional Shareholders are encouraged to participate at the AGM through VC/OAVM and vote thereat.

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28. Any person, who acquires shares of the Company and become Member of the Company after sending the Notice of AGM through electronic mode and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com.
29. In line with the Ministry of Corporate Affairs General Circular No. 17/2020 dated 13th April, 2020, the Notice calling AGM has been uploaded on the website of the Company at www.lloydsengg.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange Limited at www.bseindia.com and www.connect2nse.com respectively and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com.
30. Investor Grievance Redressal:- The Company has designated an e-mail id infoengg@lloyds.in, mapansari@lloyds.in to enable investors to register their complaints, if any.
31. The details of Director's Appointment or Re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2") issued by The Institute of Company Secretaries of India are as below:

Name of Director	Mr. R.M. Alegavi
DIN	03584302
Date of Birth	24.04.1950
Age	72 Years
Date of first appointment on the Board	26.10.2018
Qualifications	B.E. (CHEM.)
A Brief Resume of the Director & Nature of his Expertise in Specific Functional Areas;	B.E. Chemical Engineering, having 47 years rich experience in Design, Manufacturing, Erection and Commissioning of Chemical Equipment both in Hydro Carbon and Non-Hydro Carbon Industries and clean environment like Air/Gas/Liquid Dryers, Heat Exchangers, Boilers, Power Plant and LPG Loading Stations.
Directorship Held in Other Listed companies	Nil
Memberships/Chairmanships of committees of other Listed companies \$	Nil
Number of shares held in the Company	Nil
Terms and conditions of appointment	Non-Executive Director, Liable to retire by rotation.

\$(includes only Audit Committee and Stakeholders' Relationship Committee.)

Note: For other details such as number of meetings of the Board attended during the year, remuneration drawn, if any and relationship with other Directors and Key Managerial Personnel in respect of the above Director please refer to the Board's Report and the Corporate Governance Report.

32. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

**By Order of the Board
For Lloyds Steels Industries Limited**

**Date: 11th May, 2022
Place: Mumbai**

**Sd/-
Meenakshi A. Pansari
Company Secretary
ACS 53927**

STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 ("the Act")

Annexed to the Notice convening the Twenty Eighth Annual General Meeting Scheduled to be held on Saturday, 13th August, 2022.

Item No. 4

M/s Todarwal & Todarwal LLP (ICAI Firm Registration No. 111009W/W100231), Chartered Accountants were appointed as the Statutory Auditors of the Company at the Annual General Meeting (AGM) of the Company held on 30th September, 2014 for a term of 5 years and held the office till the conclusion of the Annual General Meeting to be held in the year 2019 and was re-appointed at the Annual General Meeting (AGM) of the Company held on 26th April, 2019 for a term of 3 years till the conclusion of 28th Annual General Meeting to be held in the year 2022 and have completed the his two terms in this Annual General Meeting.

As per the provisions of Section 139 of the Act, no listed company can appoint or reappoint an audit Firm as auditor for more than two terms. Hence, M/s Todarwal & Todarwal LLP, Chartered Accountants retires as the Statutory Auditors of the company at the conclusion of the 28th Annual General Meeting.

Accordingly, as per the requirements of the Act and based on the recommendations of the Audit Committee, the board of directors of the company has in its meeting held on 11th May, 2022 proposed to appoint M/s. S Y Lodha and Associates, Chartered Accountants (ICAI Registration no. 136002W) as the Statutory Auditors of the Company for a period of 5 (five) years commencing from the conclusion of 28th Annual General Meeting till the conclusion of the 33rd Annual General Meeting to be held in the year 2027.

M/s. S Y Lodha and Associates, Chartered Accountants (ICAI Registration no. 136002W), have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act.

They have further confirmed that they are not disqualified to be appointed as Statutory Auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

Further requirement of ratification of Auditors by Members at every annual general meeting has been omitted by the Companies (Amendment) Act, 2017 effective from May 7, 2018.

None of the Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item No. 4 of the notice.

The Board recommends the **Ordinary Resolution** set out at Item No. 4 of the Notice for approval of the Members.

Item No. 5

The Board of Directors, at its Meeting held on 11th May, 2022 upon the recommendation of the Audit Committee, approved the appointment of M/s. Manisha & Associates, Cost Accountants as Cost Auditors of the Company for the Financial Year ending on 31st March, 2023, to conduct audit of cost accounting records of the Company as may be required for cost audit under the Companies Act, 2013, and Rules made thereunder, at a remuneration of ₹ 35,000 (Rupees Thirty-Five Thousand only) (plus Goods and Services Tax and reimbursement of out-of-pocket expenses, if any).

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration proposed to be paid to the Cost Auditor, is required to be ratified by the shareholders of the Company.

Accordingly, consent of the Members is sought for passing an **Ordinary Resolution** as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company for the Financial Year ending on 31st March, 2023.

M/s. Manisha & Associates have furnished a certificate dated 17th April, 2022 regarding their eligibility for reappointment as Cost Auditors of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the Notice.

The Board recommends the **Ordinary Resolution** set out at Item No. 5 of the Notice for approval of the Members.

Item No. 6

As per the requirements of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), all material related party transactions shall require the approval of Members through a Resolution. Further, the explanation to Regulation 23(1) of the SEBI Listing Regulations states that 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 rupees one thousand crore or ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

In view of the Appointment of Mr. Mukesh R. Gupta as Chairman and Whole Time Director on the Board of the Company w.e.f. 31st May, 2021, the Company M/s. Lloyds Metals and Energy Limited falls under the definition of "Related Party" within the meaning of Section 2(76) of the Act and Regulation 2(1) (zb) of the Listing Regulations. After the appointment of Mr. Mukesh R. Gupta, the Company intended to continue and enter into new sale, purchase, supply and service Contract(s)/Arrangement(s)/Transaction(s) with M/s Lloyds Metals and Energy Limited, and accordingly shareholder's approval was accorded in the 27th Annual General Meeting held on 15th July, 2021 for the maximum aggregate limit of ₹ 180 Crore.

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However, overall limit of ₹ 180 Crore was increased to ₹ 350 crores as approved by the shareholders of the Company in the Extraordinary General Meeting held on 12th November, 2021.

Now Company is expecting further increase in sale, purchase, supply and service Contract (s)/Arrangement(s)/Transaction(s) and accordingly, the Board of Directors of the Company, based on the approval of Audit Committee at their meeting held on 11th May, 2022 have approved the increase in Related Party Transaction(s) limit and now seek approval of the shareholders to increase the maximum limit to ₹ 1100 Crore by way of Ordinary Resolution to enable the Company to enter into the following Related Party Transaction in one or more tranches. The transactions under consideration, is to be entered into by the Company with M/s. Lloyds Metals and Energy Limited for Contract(s)/ arrangement(s)/ transaction(s) are in the ordinary course of business and at arm's length basis.

Pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended till date, particulars of the transactions are as follows:

Sr. No.	Particulars	Remarks
1.	Name of the Related Party	Lloyds Metals and Energy Limited (LMEL)
2.	Name of the Director or KMP who is related	Mr. Mukesh R. Gupta
3.	Nature of Relationship	Mr. Mukesh R. Gupta is a Director and holds along with his relatives more than two per cent of the Share Capital in LMEL.
4.	Type of the proposed transaction	Various Contract(s)/ arrangement(s)/ transaction(s) for Sale/ Supply/Purchase/Services
5.	Nature, material terms, monetary value and particulars of the Contract(s)/ arrangement(s)/ transaction(s)	The transactions are based on contracts issued from time to time for Sale/Supply/Purchase/Services. Monetary Value of the aggregate Contract(s)/ arrangement(s)/ transaction(s) is ₹ 1100 Crores (Eleven Hundred Crores) as per the terms mentioned in the contracts and amendments/extension (if any).
6.	Particulars of the proposed transaction	Transactions are in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the Company operates in
7.	Tenure of the transaction	Contract(s)/ arrangement(s)/ transaction(s) with a duration up to 5 years
8.	Value of the proposed transaction(s)	₹ 1100 Crores
9.	Percentage of Lloyds Steels 's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	2200% as Contract(s)/ arrangement(s)/ transaction(s) are of a duration up to 5 years
10.	Benefits of the proposed transaction	The Company being an engineering Company during the course of business, aim to provide services to the group that may leverages niche skills, capabilities and grow their business. These transaction aim to grow the business within group.
11.	Details of the valuation report or external party report (if any) enclosed with the Notice	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally
12.	Following additional disclosures to be made in case loans, inter-corporate deposits, advances or investments made or given	
A.	Source of funds	NA
B.	In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment: • Nature of indebtedness • cost of funds and • tenure of the indebtedness	NA
C.	Terms of the loan, inter-corporate deposits, advances or investment made or given (including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security)	NA

It is pertinent to note that no related party shall vote to approve this Resolution whether the entity is a related party to the particular transaction or not.

The said Contract(s)/ arrangement(s)/ transaction(s) have been recommended by the Audit Committee and Board of Directors of the Company for consideration and approval by the Members.

None of the other Directors, Key Managerial Personnel and their relatives other than mentioned above are concerned or interested, financially or otherwise in the resolution set out in item no. 6.

The Board recommends the **Ordinary Resolution** set out at item no. 6 of the Notice for approval by the Members.

Item No. 7

Pursuant to the provisions of Section 186 of the Companies Act, 2013, a company can give any loan, guarantee, provide security or make investment in securities up to an amount of 60% of its paid-up capital, free reserves and securities premium account or 100% of free reserves and securities premium account, whichever is higher.

A company may give loan, guarantee, provide security or make investment in shares, debentures etc. exceeding the above limits with the prior approval of shareholders by means of a special resolution.

The Shareholders of the Company in their Annual General Meeting held on 31st August, 2016, approved providing/giving of any loan(s)/advances/deposits/investments in shares, debentures and/or other securities and to give, on behalf of the Company, any guarantee and/ or provide any security in connection with any loan or loans made by any other person to, or to any other persons by, any other person(s)/ Companies/Body Corporate(s) which shall be subject to aggregate limit of ₹ 100 Crores (Rupees One Hundred Crores only) and which may be individual/ aggregate in excess of the limits prescribed i.e over and above 60% of the Company's paid up share capital, security premium account and free reserves or 100% of the Company's free reserves and security premium amount, whichever is more. Aggregate amount of the loans and investments so far made, the amount for which guarantees and securities so far provided by the Company along with the loans, investments and guarantees to be made / provided by the Company in the near future, may exceed the limits approved by the Shareholders in the AGM held on 31st August, 2016.

Accordingly, the Board of Directors in its meeting held on 11th May, 2022 approved to increase the aforesaid threshold from ₹ 100 Crore (Rupees One Hundred Crore) to ₹ 350 Crore (Rupees Three Hundred Fifty Crore), subject to approval of the Shareholders.

Accordingly, consent of the Members is sought for passing a **Special Resolution** as set out at Item No. 7.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise in this resolution.

Item No. 8

The existing borrowing limit for the Company was approved by the members in their Annual General Meeting held on 31st August, 2016, pursuant to the provisions of Section 180(1) (c) of the Companies Act, 2013. The existing borrowing limit as approved by the shareholders is ₹ 200 Crores.

Hence, considering the business plans and the growing fund requirements of the Company, it is proposed to increase the existing borrowing limit of the Company from ₹ 200 crores to ₹ 300 crores. The approval of the members is sought pursuant to Section 180(1)(c) of the Companies Act, 2013 and rules made thereunder.

Accordingly, consent of the Members is sought for passing a **Special Resolution** as set out at Item No. 8.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise in this resolution.

Item no. 9

As per Regulation 17(6)(a) of SEBI (LODR) Regulations, 2015, all fees or compensation (except sitting fees), if any, paid to non-executive directors, including independent directors and shall require approval of shareholders in general meeting.

Shri Ashok Tandon and Shri R. M. Alegavi are Non-Executive Directors of the Company and rendering Technical Consultancy services to the Company based on their rich experience in the field of Company's business.

The Consent of the Members is required to approve Technical Consultancy charges/ fees towards the Technical Consultancy services rendered by Shri Ashok Tandon and Shri R. M. Alegavi, Non- Executive Directors of the Company in a year, in aggregate to ₹ 2 Crores. The Company has taken appropriate approvals of Audit Committee and Board of Directors pursuant to the section 188 of the Companies Act, 2013 as this transaction is at arm length price and ordinary course of business. However, Regulation 17 SEBI (LODR) Regulations, 2015 mandates shareholders' approval in case of all fees or compensation, if any, paid to non-executive directors.

This has necessitated seeking approval of the Members by way of a special resolution for payment of Technical Consultancy charges/ fees to Shri Ashok Tandon and Shri R. M. Alegavi, non- executive Directors of the Company as per terms and conditions of the respective service agreement as may be executed of aforesaid, in order to comply with the above-mentioned Regulation 17(6)(a) of SEBI (LODR) Regulations, 2015.

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The Company is seeking the approval/ratification of the Members for the Financial Year 2020-21 also to comply with the regulation.

Glimpse of details of services by Shri Ashok Tandon and Shri R. M. Alegavi is referred below:

Mr. R.M. Alegavi is a Professional and Technical Expert in designing and engineering of various equipment's and renders professional, technical and technological advice to the company from time to time on need-based requirements.

Mr. Ashok Tandon has been associated in the Engineering Business of the company for over 28 years and is having vast Business Experience of over 41 years in the core industry of Engineering/Steel, Oil/Refinery and Capital Equipment/EPC Sectors. Also he was the Head of the Strategic Business Unit for 28 years out of the 41 years and has worked in large Public Sector Undertakings like HPCL Refinery, Vishakapatanam, M.N. Dastur & Company Ltd., Kolkata, ISPAT Industries Ltd., Welspun Group etc. in Senior Managerial Positions and has successfully executed various State of Art Industrial Projects. Mr. Ashok Tandon renders Professional, Technical, Technological services and brings and/or provides business connections and opportunities to the company.

The Board of Directors therefore recommends the resolution as set out in Item No. 9 of the Notice for approval of Members of the Company by way of a **Special Resolution**.

None of the other Directors, Key Managerial Personnel and their relatives other than mentioned above are concerned or interested, financially or otherwise in the said resolution.

**By Order of the Board
For Lloyds Steels Industries Limited**

**Date: 11th May, 2022
Place: Mumbai**

**Sd/-
Meenakshi A. Pansari
Company Secretary
ACS 53927**

E-COMMUNICATION REGISTRATION FORM**(Only for members holding shares in physical form)**

Date:

To,
 Bigshare Services Private Limited
 Office No S6-2, 6th Floor, Pinnacle Business Park,
 Next to Ahura Centre, Mahakali Caves Road,
 Andheri (East) Mumbai – 400093. Maharashtra

UNIT – LLOYDS STEELS INDUSTRIES LIMITED

Dear Sir,

Sub: Registration of E-mail ID for serving of Notices / Annual Reports through Electronic Mode by Company

We hereby register our E-mail ID for the purpose of receiving the Notices, Annual Reports and other documents / information in Electronic Mode to be sent by the Company.

Folio No.	
E-mail ID	
Name of the First/ Sole Shareholder	
Signature	

Note: - Shareholder(s) are requested to notify the Company as and when there is any change in the e-mail address

LLOYDS STEELS INDUSTRIES LIMITED

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Company's Twenty Eighth Annual Report and the Company's Audited Financial Statements for the Financial Year Ended 31st March, 2022.

1. FINANCIAL HIGHLIGHTS:

The Company's financial highlights for the year ended 31st March, 2022 is summarized below:

(₹ in Lakhs)

Particulars	Current Year	Previous Year
	2021-22	2020-21
Income from Operations	5,009.66	7,005.09
Other Income	975.07	1,309.37
Total Income	5,984.73	8,314.46
Profit before Interest, Depreciation & Tax	1,446.37	305.86
Less: Finance Cost	101.90	76.81
Depreciation	133.72	159.49
Profit/(Loss) before tax	1,210.75	69.56
Less: Tax Expenses (Net)	616.03	19.19
Profit/(Loss) for the Year	594.72	50.37
Other Comprehensive Income (Net)	(0.44)	54.79
Total Comprehensive Income	594.28	105.16

2. PERFORMANCE 2021-22:

During the year under review the Company achieved a turnover of ₹ 5,009.66 Lakhs as compared to ₹ 7,005.09 Lakhs in the previous year. The decrease is mainly on account of the economic slowdown as a consequence of the ongoing COVID-19 pandemic. The operating EBITDA for the year is ₹ 1,446.37 Lakhs as against ₹ 305.86 Lakhs in the previous year. The Company has posted a Profit Before Tax of ₹ 1,210.75 Lakhs during the year as against ₹ 69.56 Lakhs in the previous year after providing depreciation of ₹ 133.72 Lakhs (Previous Year ₹ 159.49 Lakhs) and has posted a Profit of ₹ 594.72 Lakhs as against ₹ 50.37 Lakhs in the previous year after considering tax expenses (Net) of ₹ 616.03 Lakhs (previous year ₹ 19.19 lakhs). The total Comprehensive Income for the current year is ₹ 594.28 Lakhs as against ₹ 105.16 Lakhs in the previous year after considering Other Comprehensive Income of ₹ (0.44) Lakhs (Previous Year Other Comprehensive income ₹ 54.79 Lakhs).

3. CHANGE IN PROMOTERS:

During the year under review M/s. Shree Global TradeFin Ltd, one of the significant shareholders of the company entered into a Share Purchase Agreement with Promoters of the company namely M/s. FirstIndia Infrastructure Private Ltd., (32.05%) and M/s. Metallurgical Engineering and Equipments Ltd (14.06%) to acquire their entire combined shareholdings of 46.11% of your company which had triggered an open offer to be made by M/s. Shree Global TradeFin Ltd., to the Shareholders of your Company in accordance with the statutory rules and regulations. The Board of Directors further state that after compliance of all the procedural requirements with respect to the open offer and completion thereof, M/s. Shree Global TradeFin Ltd has become the largest shareholder of your Company having controlling interest in the capacity of Promoters alongwith Persons Acting in Concert i.e. Mrs. Abha Gupta, Mrs. Renu Gupta, Mr. Mukesh R. Gupta, Mr. Rajesh R. Gupta and late Ms. Chitrlekha Gupta (Mother in Law of Mrs. Abha Gupta) have and has been classified as the Promoters of the Company holding majority stake of 53.42%.

4. FUTURE OUTLOOK:

The Company has acquired Plant, consisting of land admeasuring 10583 sq. mtrs. along with the Shed structures of 5132.15 sq. mtrs. erected thereon and all plant and machinery installed therein whether movable and to double its capacity for manufacturing medium and heavy equipment for future expansion and new project.

Also, the Company is upgrading an existing shed equipped with a heavy lift crane hook height of 15 meters and most modern manufacturing and material handling facilities. To augment its machining facility, the company has also added CNC Tube sheet drilling machine upto 1000 mm thickness so that it can be one of the few companies to cater to larger heat exchangers for various applications.

The capacity expansion at the Company's manufacturing facility will augment the captive requirements and boost external sales.

Further, the Company is focusing to build a strong reputation as a responsible corporate citizen and trail track record in delivering longer term stakeholder value and it can significantly enhance the company's brand value, which is a quantifiable measure of its social and relationship capital with stakeholders.

5. TRANSFER TO RESERVE:

The Board of the Company do not propose to transfer any amount to any reserve.

6. DIVIDEND:

Based on the Company's performance, the Directors are pleased to recommend for approval of members a final dividend of ₹ 0.05 per equity share (i.e. 5%) of the face value of ₹ 1/- each. The final dividend on equity shares, if approved by the members, shall be subject to deduction of income tax at source.

The dividend payout has been determined in accordance with the Dividend Distribution Policy of the Company.

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, ("Listing Regulations"), the Company had adopted the Dividend Distribution Policy which is available on the Company's website at: <https://www.lloydsengg.in/wp-content/uploads/2022/05/Dividend-Distribution-Policy.pdf>

7. SHARE CAPITAL:

During the Financial Year 2021-22, the Company has issued and allotted 16,50,00,000 Convertible Warrants of ₹ 1/- each at an issue price of ₹ 3.86 each (including premium of ₹ 2.86 each), aggregating to ₹ 63,69,00,000/- (Rupees Sixty Three Crores and Sixty Nine Lakhs) to persons belonging to Promoters/ Promoter Group on Preferential basis as approved by the shareholders of the Company on 12th November, 2021.

During the Financial Year 2021-22, the Company has issued and allotted 1,51,80,000 12% Optionally Fully Convertible Debentures ("OFCDs") of the face value of ₹ 13.65 each for cash aggregating to ₹ 20,72,07,000 (Rupees Twenty Crores Seventy Two Lakhs Seven Thousand) to Non promoter category investors on a Preferential basis as approved by the shareholders of the Company on 24th January, 2022.

During the year under review, the Authorized Share Capital of the Company was increased from ₹ 90,00,00,000/- divided into 90,00,00,000 equity shares of ₹ 1 each to ₹ 110,00,00,000/- divided into 110,00,00,000 equity shares of ₹ 1 each as approved by the shareholders in Extraordinary General Meeting held on 12th November, 2021. Further, the Authorized Share Capital of the Company was increased from ₹ 110,00,00,000/- divided into 110,00,00,000 equity shares of ₹ 1 each to ₹ 120,00,00,000/- divided into 120,00,00,000 equity shares of ₹ 1 each as approved by the shareholders in Extraordinary General Meeting held on 24th January, 2022.

The paid-up Equity Share Capital of the Company as on 31st March, 2022 stood at ₹ 89,86,98,382.

8. CHANGE IN THE NATURE OF BUSINESS ACTIVITIES:

During the year under review, there are no changes in the nature of the business activities of the Company.

9. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is set out in this Annual Report as 'Annexure B'.

10. BUSINESS RESPONSIBILITY REPORT

As mandated by the Securities and Exchange Board of India (SEBI), the Business Responsibility Report of the Company for the year ended 31st March, 2022 is annexed as 'Annexure C' and forms an integral part of this Report.

11. SUBSIDIARY & CONSOLIDATED FINANCIAL STATEMENTS:

The Company is not required to consolidate its financial statements for the year ended 31st March, 2022 as the Company doesn't have any Subsidiary, Associates and Joint Ventures Companies.

12. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY.

The ongoing Covid-19 pandemic since March 2020 followed by on-off lockdowns restrictions being imposed by the State Government and various authorities from time to time and continuing as on date of this report has severely impacted the delivery schedules of various orders/jobs under execution by the Company. However, your Company has tried to cope up with the situation to avoid and not to have an adverse effect on the cash flow and financial position of the Company.

13. PUBLIC DEPOSIT.

Your Company has neither invited nor accepted public deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

14. EMPLOYEE STOCK OPTION SCHEME/PLAN

The Members of the Company at the Extraordinary General Meeting held on 24th January, 2022 approved the Lloyds Steels Industries Limited Employee Stock Option Plan – 2021("LLOYDS STEELS ESOP -2021") for issue of Employee Stock Options to such eligible employees (as defined in the Scheme), of any present and future Group companies including Subsidiary(ies), Associate company(ies) and the Holding company, selected on the basis of criteria decided by the Board or a Committee thereof. The scheme has been implemented via Trust Route wherein the Company will issue and allot such number of Equity Shares of ₹ 1/- (Rupee One Only) each not exceeding 4,40,00,000 (Four Crore Forty Lakh) equity shares, representing the aggregate 4.90% of the paid-up share capital of the Company (as on the date of this resolution) as to trust

LLOYDS STEELS INDUSTRIES LIMITED

and the trust will transfer the shares to the Employees who successfully exercised their vested options.

The Nomination and Remuneration Committee ('NRC') of the Board of Directors of your Company is entrusted with the responsibility of administering the plan and during the Financial Year 2021-22 and the committee has not granted any stock option in pursuance thereof.

The above Scheme/Plan is in line with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB & SE Regulations"). The Company has obtained certificates from the Auditors of the Company stating that the Schemes have been implemented in accordance with the SBEB & SE Regulations and the resolutions passed by the members. The certificates are available for inspection by members in electronic mode at <https://www.lloydsengg.in/wp-content/uploads/2022/07/Regulation-13-SBEB-SE-Regulations-2021.pdf> and <https://www.lloydsengg.in/wp-content/uploads/2022/07/Regulation-14-SBEB-SE-Regulations-2021.pdf>

15. DIRECTORS AND KEY MANAGERIAL PERSONNEL.

During the year under review there are following changes in the Board of Directors of the Company.

Mukesh R. Gupta (DIN:00028347)

In accordance with the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015, Mr. Mukesh R. Gupta was appointed on 31st May, 2021 as Chairman and Whole Time Director of the Company for the 3-year term starting from 31.05.2021 to 30.05.2024 as approved by the shareholders of the Company in 27th Annual General Meeting held on 15th July, 2021.

Ashok Tandon (DIN:00028301)

Mr. Ashok Tandon has retired from the services on account of superannuation from the closing business hours of 31st March, 2021 and consequently retired from the position of Managing Director. However, he has been appointed as a Non- Executive Director on the Board of the Company w.e.f. 01st April, 2021 as approved by the shareholders of the Company in 27th Annual General Meeting held on 15th July, 2021.

Mr. R.M. Alegavi (DIN:03584302)

In accordance with the provisions of Companies Act, 2013 and the Articles of Association of the Company, Mr. R.M. Alegavi, Non-Executive Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

Mr. K. M. Pradhan (DIN: 02749508)

In accordance with the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015, Mr. K.M.

Pradhan was appointed on 11th September, 2020 as an Additional Non-Executive Director on the Board of the Company and was Regularized in the Annual General Meeting held on 15th July, 2021. However, Mr. K.M. Pradhan's designation has been changed to Independent Director w.e.f. 22nd July, 2021 to meet the Requirements of SEBI (LODR), 2015 pertaining to Board Composition as approved by the shareholders of the Company in Extraordinary General Meeting held on 12th November, 2021.

Mr. S.N. Singh (DIN:00398484)

Mr. S.N. Singh, an Independent Director of the Company has completed his first term on 31st August, 2021. Mr. S.N. Singh has been reappointed for a further term of five years w.e.f. 1st September, 2021 to 31st August, 2026 as approved by the shareholders of the Company in 27th Annual General Meeting held on 15th July, 2021.

Mrs. Bela Sundar Rajan (DIN:00548367)

Mrs. Bela Sundar Rajan, an Independent Director of the Company has completed his first term on 31st August, 2021. Mrs. Bela Sundar Rajan has been reappointed for a further term of five years w.e.f. 1st September, 2021 to 31st August, 2026 as approved by the shareholders of the Company in 27th Annual General Meeting held on 15th July, 2021.

Mr. Ashok Kumar Sharma (DIN: 09352764)

In accordance with the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015, Mr. Ashok Kumar Sharma was appointed as an Independent Director for a term of 5 years on the Board of the Company w.e.f. 14th October, 2021 to 13th October, 2026 as approved by the shareholders of the Company in Extraordinary General Meeting held on 12th November, 2021.

Statement of Board of Directors:

The Board of Directors of the Company are of the opinion that the Independent Directors of the Company reappointed during the year possesses integrity, relevant expertise and experience required to best serve the interest of the Company.

16. DISCLOSURE RELATED TO BOARD AND CORPORATE GOVERNANCE:

- a. Number of Meetings of the Board:** Total 9 (Nine) Board Meetings were held during the Financial Year 2021-22 as required u/s 134 (3) (b) of the Companies Act, 2013 the details of which are as under:

Date of Board meetings	Purpose
31 st May, 2021	Financial Results & General Purpose
22 nd July, 2021	Financial Results & General Purpose
14 th October, 2021	General Purpose
18 th October, 2021	Financial Results & General Purpose
28 th October, 2021	General Purpose
22 nd November, 2021	General Purpose
25 th December, 2021	General Purpose
27 th January, 2022	General Purpose
2 nd February, 2022	Financial Results & General Purpose

In respect of such meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. No circular resolutions were passed by the Company during the Financial Year under review.

- b. Committees of the Board:** The detailed information with regard to the composition of Board and its Committee(s) and their respective meetings etc. are stated in the Corporate Governance Report of the Company which forms part of this Annual Report.
- c. Corporate Governance:** The Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are complied with. As per Regulation 34(3) Read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Corporate Governance, together with a certificate from the Company's Statutory Auditors, forms part of this Report as 'Annexure A'.
- d. Performance Evaluation of the Board and its Committee(s):** The Board has carried out an annual performance evaluation of its own performance and that of its committees and individual directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.
- e. Meeting of the Independent Directors:** During the year under review, the Independent Directors met on 2nd February, 2022 inter alia, to:
- Review the performance of Non-Independent Directors and the Board of Directors as a whole;*

- Review the performance of the Executive Director of the Company taking into account the views of the Directors;*
- Assess the quality, content and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.*

All the Independent Directors were present at this meeting. The observations made by the Independent Directors have been adopted and implemented.

- f. Declaration by Independent Directors:** All Independent Directors have given declarations under section 149 (7) that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- g. Familiarization Programme for Independent Directors:** The Company has formulated a Programme for Familiarization of Independent Directors with regard to their roles, rights, responsibilities, nature of the industry in which the Company operates, the business model of the Company etc. The details of the Familiarization Programmes as conducted by the Company during the last fiscal are available on the website of the Company (www.lloydsengg.in). However, during the year under review, there was no change in the nature of business of the company and its business vertical/structure/operational strategy, etc., which would have necessitated fresh Familiarization Programme for Independent Directors.

17. DIRECTORS' RESPONSIBILITY STATEMENT.

Pursuant to Section 134(5) of the Companies Act 2013, your Directors state that:

- in the preparation of the annual accounts for the year ended 31st March, 2022, the applicable accounting standards have been followed and there are no material departures from the same;*
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2022 and of the profit of the Company for the year ended on that date;*
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;*

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4. *the Directors have prepared the annual accounts on a 'going concern' basis;*
5. *the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and;*
6. *the Directors have devised proper systems and controls to ensure compliance with the provisions of all applicable laws and that such systems and controls are adequate and operating effectively.*

18. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo, which is required to be given pursuant to the provisions of section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of Companies (Account) Rules, 2014 is annexed hereto marked as 'Annexure D' and forms part of this report.

19. ANNUAL RETURN:

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company shall be available on the website of the Company www.lloydsengg.in.

20. VARIOUS POLICIES OF THE COMPANY.

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 the Company has formulated, implemented various policies. All such Policies are available on Company's website (www.lloydsengg.in) under the Policies sub-caption of the Investor Caption. The policies are reviewed periodically by the Board and updated based on need and requirements.

Name of the Policy	Brief Description
Whistle Blower or Vigil Mechanism Policy	The policy is meant for directors, employees and stakeholders of the Company to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct and ethics amongst others.
Policy for Related Party Transactions	The policy regulates all transactions taking place between the Company and its related parties in accordance with the applicable provisions.
Policy for preservation of documents	The policy deals with the retention of corporate records of the Company.

Policy for determination of materiality of events	This policy applies for determining and disclosing material events taking place in the Company.
Code of conduct for Director(s) and Senior Management Personnel	The Policy is aimed to formulate a Code of Conduct for the Directors and Senior Management Personnel to establish highest standard of their ethical, moral and legal conduct in the business affairs of the Company.
Nomination and Remuneration Policy	The policy formulates the criteria for determining qualifications / competencies / positive attributes and independence related to the appointment, removal and remuneration of a Director (Executive / Non-Executive) and also the criteria for determining the remuneration of the Directors, Key Managerial Personnel and other employees covered under the prescribed criteria, if any.
Code of Conduct for Prohibition of Insider Trading	The Policy provides framework for dealing with the securities of the Company in mandated manner.
Policy for Procedure of Inquiry in Case of Leak of Unpublished Price Sensitive Information ("UPSI")	The SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 ("PIT Amendment Regulations") mandates every listed company to formulate a written policy and procedures for inquiry in case of leak of unpublished price sensitive information and initiate appropriate action on becoming aware of leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries. In pursuant to this regulation, the Company has adopted the Policy for Procedure of Inquiry in Case of Leak of Unpublished Price Sensitive Information ("UPSI").
Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information	The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information was revised pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 to include therein the policy for determination of "Legitimate purposes for sharing UPSI"

Risk Management Policy	<p>Policy on Materiality Of Related Party Transaction And Dealing With Related Party Transaction -</p> <p>The Policy is implemented as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy shall provide the pathway for the Related Party Transactions.</p> <p>The Risk Management policy is formulated and implemented by the Company in compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy helps to identify the various elements of risks faced by the Company, which in the opinion of the Board threatens the existence of the Company.</p>
Dividend Distribution Policy	<p>The dividend distribution policy is formulated and implemented by the Company in compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.</p>

21. AUDITORS:

The matters related to Auditors and their Reports are as under:

(A) Statutory Auditor: Pursuant to Section 139 of the Companies Act, 2013 and rules made thereunder, the Board of Directors appointed M/s. Tadarwal & Tadarwal, Chartered Accountants (Firm Registration No. 111009W), as the Statutory Auditors of the Company for a period of five financial years from 01.04.2014 to 31.03.2019 and the shareholders have accorded their approval in the AGM held on 30th September 2014. M/s. Tadarwal & Tadarwal, Chartered Accountants converted itself into a Limited Liability Partnership (LLP) under the provisions of the Limited Liability Partnership Act, 2008 and is now known as M/s. Tadarwal & Tadarwal LLP (Firm Regn. No. 111009W/ W100231) with effect from 14th July, 2017.

The five-year term of Statutory Auditors ended on 31.03.2019 and as per the provision of Section 139 of the Companies Act, 2013 read with Rule 3(7) of Companies (Audit and Auditors) Rules 2014, they were eligible to be reappointed for a further period of 3 years. Accordingly, the Board approved and recommended their reappointment for further period of 3 years beginning from 2019-20 to 2021-22 and

the same was approved by the shareholders in the Annual General Meeting held on 19th August, 2019.

Now the two terms of M/s. Tadarwal & Tadarwal LLP is expiring and they are retiring in ensuing 28th Annual General Meeting.

Accordingly, appointment of M/s. S Y Lodha and Associates, Chartered Accountants (ICAI Firm Registration No. 136002W) is recommended for shareholders approval in 28th Annual General Meeting as Statutory Auditors of the Company in the place of retiring Statutory Auditors, M/s Tadarwal & Tadarwal LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No. 111009W/ W100231) and to authorize the Board of Directors of the Company to fix their remuneration.

(B) Audit Report: During the year 2021-22, no frauds have either occurred or noticed and/or reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (as amended from time to time).

The observations, if any, made by the Statutory Auditors in their Audit Report read with the relevant notes thereof as stated in the Notes to the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2022 are self-explanatory and being devoid of any reservation(s), qualification(s) or adverse remark(s) etc; and do not call for any further information(s)/ explanation(s) or comments from the Board under Section 134(3)(f)(i) of the Companies Act, 2013.

During the year under review, the Auditors have not reported any matter under Section 143 (12) of the Act and therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

(C) Secretarial Auditor: Pursuant to Section 204 of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, the Board has Appointed Mr. Maharshi Rajesh Ganatra (Practicing Company Secretary) having Membership No. 11332 and Certificate of Practice No. 14520 representing M/s. Maharshi Ganatra & Associates, Practicing Company Secretary as the Secretarial Auditor of your Company to conduct Secretarial Audit for the Financial Year 2022-23.

(D) Secretarial Audit Report: Secretarial Audit Report as issued by the Secretarial Auditor, in Form No. MR-3 for the Financial Year 2021-22 is annexed herewith vide '**Annexure E**' and forms integral part of this Annual Report. The said Secretarial Audit Report being devoid of any reservation(s), adverse remark(s) and qualification(s) etc. do not call for any further explanation(s)/ information or comment(s)

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from the Board under Section 134(3) (f)(ii) of the Companies Act, 2013.

- (E) Cost Auditor:** In terms of Section 148 of the Act, the Company is required to have the audit of its cost records conducted by a Cost Accountant. In this connection, the Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment of M/s. Manisha & Associates as the Cost Auditors of the Company for the Financial Year 2022-23.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board has to be ratified by the members of the Company. Accordingly, appropriate resolution forms part of the Notice convening the AGM. M/s. Manisha & Associates have vast experience in the field of cost audit and have been conducting the audit of the cost records of the Company for the past several years.

- (F) Cost Audit Report:** The Company has maintained such accounts and records as per the aforesaid provisions and further has filed Cost Audit Report for the Financial Year ended 31st March, 2021 with the Ministry of Corporate Affairs in XBRL Mode within the time limit prescribed under the Companies Act, 2013.

22. PERSONNEL/PARTICULARS OF EMPLOYEES:

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended are annexed hereto marked as '**Annexure F**' and forms part of this report

23. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEE GIVEN AND SECURITIES PROVIDED:

The particulars of loans and advances given by the Company during the Financial Year 2021-22 are stated in Notes to the Audited Financial Statements of the Company as annexed to this Annual Report.

24. PARTICULARS OF CONTRACT(S)/TRANSACTION(S)/ARRANGEMENT(S) WITH RELATED PARTIES:

All related party transactions that were entered and executed during the year under review were at arms' length basis. As per the provisions of Section 188 of the Act and Rules made thereunder read with Regulation 23 of the SEBI (LODR) Regulations, your Company had obtained approval of the Audit Committee under specific agenda items for entering into such transactions.

Particulars of contracts or arrangements entered into by your Company with the related parties referred to in Section 188(1) of the Act, in prescribed form AOC-2, is annexed herewith as '**Annexure G**' to this Report.

Your directors draw attention to notes to the financial statements which inter-alia set out related party disclosures. The Policy on materiality of related parties' transactions and dealing with related parties as approved by the Board may be accessed on your Company's website at the link: <https://www.lloydsengg.in/policies/>.

In terms of Regulation 23 of the SEBI LODR, approval of the members for all material related party transactions has been taken. The details pertaining to transaction with person or entity belonging the promoter/promoter group which holds 10% or more shareholding in the Company are mentioned in the Standalone Financial Statement.

25. LISTING OF SHARES:

The Equity Shares of the Company are continued to be listed and actively traded on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). The listing fees payable for the Financial Year 2021-22 has been paid to both the Stock Exchanges (BSE & NSE).

26. DEMATERIALIZATION OF SHARES:

As on 31st March 2022, there were **89,04,31,662** Equity Shares dematerialized through depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, which represents about **99.08%** of the total issued, subscribed and paid-up capital of the Company.

27. SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE:

Your Director's state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has complied with the provisions relating to the constitution of internal complaints committee under the aforesaid Act and necessary disclosures about the same have been provided in the Report on Corporate Governance.

28. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

29. COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company confirms Compliance with the applicable requirements of Secretarial Standards 1 and 2.

30. DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER OF SEBI LODR REGULATIONS:

During the year under review, the Company has raised funds by issuing the 16,50,00,000 Warrants to Promoter/ Promoter Group of ₹ 1/- each at a premium of ₹ 2.86 each and 1,51,80,000 Optionally Fully Convertible Debentures to non-Promoters at a face value of ₹ 13.65 each through preferential allotment.

The funds raised through the respective issues were utilized for the purpose for which it was raised and in accordance with the objectives of the said preferential issue stated in the explanatory statement to the notice of general meetings.

31. GENERAL DISCLOSURES:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions/ activities pertaining to these matters during F.Y. 2021-22:

- a) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- b) Issue of shares (including sweat equity shares and ESOP) to employees of the Company under any scheme.
- c) Instances with respect to voting rights not exercised directly by the employees of Company.
- d) Neither the Executive Director nor the CFO of the Company receives any remuneration or commission from any other Company.
- e) No significant or material orders were passed by the Regulators or Courts or Tribunals which can impact the going concern status and Company's operations in future.

- f) No fraud has been reported by the Auditor in their Audit Report for Financial Year 2021 -22, hence the disclosure u/s 134(3) (ca) is not applicable.

32. ENCLOSURES:

- a. **Annexure A** : Corporate Governance Report;
- b. **Annexure B** : Management Discussion and Analysis Report;
- c. **Annexure C** : Business Responsibility Report;
- d. **Annexure D** : Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo Report;
- e. **Annexure E** : Secretarial Auditors Report in Form No. MR-3;
- f. **Annexure F** : Details of personnel/particulars of employees;
- g. **Annexure G** : AOC -2

33. ACKNOWLEDGEMENT

Your Directors place on record their sincere appreciation and gratitude for the assistance and generous support extended by all Government Authorities, Financial Institutions, Banks, Customers and Vendors during the year under review. Your Directors wish to express their immense appreciation for the devotion, commitment and contribution shown by the employees of the company while discharging their duties.

**For and on behalf of the Board
Lloyds Steels Industries Limited**

**Date: 11th May, 2022
Place: Mumbai**

**Sd/-
Mukesh R. Gupta
Chairman**

REPORT ON CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR 2021-22

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operation and all its interactions with the stakeholders including shareholders, employees, customers, government and suppliers.

Your Company is in compliance with the requirements on Corporate Governance as they stood during Financial Year 2021-22.

2. BOARD OF DIRECTORS

(a) Size and composition of the Board

The Board of Directors of the Company as on 31st March, 2022 comprised of Eight (8) members, out of which One (1) is Chairman and Whole time Director, five (5) are Non-Executive & Independent Directors, two (2) are Non-Executive Directors.

None of the Directors are related to each other.

(b) Memberships of other Boards / Board Committees

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other companies are given below in **Table - 1**:

Sr. No	Name and Designation (DIN)	Status/ Category	Attendance in Meetings during FY 2021-22		Number of Directorships In other Companies		Committee Membership and Chairmanship in other Public Ltd. Co. \$		Shareholding in the Comp-ny
			Board Meetings (9 Meetings held)	AGM	Private	Public	Chairmanship	Membership	
1.	Mr. Mukesh R. Gupta (00028347) ^{&}	Chairman and Whole Time Director	9	Yes	1	1	1	-	7095 [^]
2.	Mr. S. N. Singh (00398484) [#]	Independent Director	9	Yes	-	-	-	-	-
3.	Mrs. Bela Sundar Rajan (00548367)	Independent Woman Director	5	Yes	3	-	-	-	-
4.	Mr. A. Lakshman (08648489)	Independent Director	9	Yes	-	-	-	-	-
5.	Mr. K.M. Pradhan (02749508)	Independent Director	9	Yes	-	-	-	-	-
6.	Mr. Ashok Kumar Sharma (09352764) [*]	Independent Director	9	Yes	-	-	-	-	-
7.	Mr. Ashok Tandon (00028301) ^{**}	Non-Executive Director	9	Yes	1	-	-	-	-
8.	Mr. Rajashekhar M. Alegavi (03584302)	Non-Executive Director	9	Yes	4	2	-	-	-

^{\$} Includes only Audit Committee and Shareholders'/Investors' Grievance Committee in all public limited companies (whether listed or not) and excludes private limited companies, foreign companies and Section 8 companies.

[^] Mr. Mukesh R. Gupta is one of promoters of the Company.

[&] Mr. Mukesh R. Gupta has been appointed as the Chairman and Whole Time Director w.e.f 31st May, 2021

^{*} Mr. Ashok Kumar Sharma has been appointed as an Independent Director w.e.f 14th October, 2021

^{**} Mr. Ashok Tandon has retired from the post of Managing Director from the closing hours of 31st March, 2021 and appointed as a Non- Executive Director on the Board w.e.f. 1st April, 2021

Names of the Listed entities where the person is a director and the category of Directorship:

Name of Director	Name of Listed entity	Category of Directorship
Mr. Mukesh R. Gupta (00028347)	Lloyds Metals and Energy Limited (L40300MH1977PLC019594)	Non-Executive - Non-Independent Director- Chairperson related to Promoter

Brief profiles of all the Directors are available on the website of the Company at <https://www.lloydsengg.in/key-people/>.

Note:

- None of the Directors of the Company were members of more than 10 committees or acted as Chairperson of more than 5 committees across all Public Limited Companies in which they were Directors in terms of Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
- None of the Directors held directorship in more than 10 Public Limited Companies.
- None of the Independent Directors of the Board served as Independent Director in more than 7 listed companies.
- None of the Directors held directorship in more than 7 Listed entities.

The information as required under Regulation 17(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is being made available periodically to the Board.

The Board periodically reviews the compliance status of the Company. The company has adopted the Code of Conduct for Executive Directors, Senior Management Personnel and other executives of the Company.

The Company has received confirmation from Whole time Director as well as the Senior Management Personnel regarding compliance of the Code during the year under review. The company has also adopted the Code of Conduct for the Non-Executive Directors of the company.

The company has received confirmations from the Non-Executive Directors regarding compliance of the Code for the period ended 31st March, 2022. Both the Codes are posted on the website of the Company i.e. www.lloydsengg.in.

(c) Board Meeting:

The Board meets at regular intervals to discuss and decide on Company's business policies and strategy apart from other regular business matters. Board Meetings are

usually held at the Corporate Office of the Company at Mumbai or through Video Conferencing/Other Audio-Visual Means in the wake of COVID-19 pandemic and due to lockdown restrictions. The meetings and agenda items taken up during the meetings complied with the Companies Act, 2013 and Listing Regulations read with various circulars issued by Ministry of Corporate Affairs (MCA) and Securities Exchange Board of India ("SEBI") due to COVID-19 pandemic.

During the financial year ended on 31st March, 2022, 9 (Nine) Board Meetings were held on 31st May, 2021, 22nd July, 2021, 14th October, 2021, 18th October, 2021, 28th October, 2021, 22nd November, 2021, 25th December, 2021, 27th January and 2022, 2nd February, 2022. Maximum time gap between two consecutive meetings had not exceeded 120 days.

The agenda and notes are circulated to the Directors in advance. All material information is included in the agenda for facilitating meaningful discussions at the meeting. In case of urgent necessity, resolutions are passed by circulation in accordance with the provisions of Companies Act, 2013. Business Unit heads and senior management personnel make presentations to the Board. The Board is updated on the discussions held at the Committee meetings and the recommendations made by various Committees.

(d) Familiarization Program for Independent Directors:

Whenever any person joins the Board of the Company as an Independent Director, an induction programme is arranged for him / her wherein he / she is familiarized with the activities of the Company, their roles, rights and responsibilities in the Company, the code of conduct to be adhered, nature of the industry in which the Company operates, business model of the Company, meeting with the senior management team members, etc.

The detail of such familiarization programmes can be accessed on the Company's website i.e. www.lloydsengg.in.

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(e) Skills/Expertise/ Competence of the Board of Directors of the Company

The core skills / expertise / competencies as identified by the Board of Directors as required in the context of the Company's business(es) and sector(s) for it to function effectively and those actually available with the Board are given below. The matrix below highlights the skills and expertise, which is currently available with the Board of the Company:

Director	Analytical Skills	Sales & Business Development	Financial Expertise	Law & Policies	Public Relations
Mr. Mukesh R. Gupta Chairman and Whole-time Director	✓	✓	✓	✓	✓
Mr. S. N. Singh Independent Director	✓	✓	✓	✓	✓
Mrs. Bela Sundar Rajan Independent Woman Director	✓	-	-	✓	✓
Mr. Rajashekhar M. Alegavi Non-Executive Director	✓	✓	-	✓	✓
Mr. A. Lakshman Independent Director	✓	-	✓	✓	✓
Mr. K.M.Pradhan Independent Director	✓	-	✓	✓	✓
Mr. Ashok Tandon Non- Executive Director	✓	✓	✓	✓	✓
Mr. Ashok Kumar Sharma Independent Director	✓	✓	-	-	✓

(f) Declaration by Independent Directors

The Company has received necessary declaration from each Independent Director under section 149(7) of the Companies Act, 2013 and Regulation 25(8) of SEBI (Listing Obligations and Disclosures Requirements), Regulations 2015, stating that he/ she meets the criteria of independence laid down in section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosures Requirements), Regulations 2015.

(g) Resignation of Independent Directors

During the year, none of the Independent Directors of the Company had resigned before the expiry of their respective tenure(s).

3. COMMITTEES OF THE BOARD

The Board Committees play a vital role in strengthening the Corporate Governance practices and focus effectively on the issues and ensure expedient resolution of the diverse matters. The Committees also make specific recommendations to the Board on various matters when required. All observations, recommendations and decisions of the Committees are placed before the Board for information or for approval. The Board of Directors from time to time has constituted the following Committees, namely:

- Audit Committee
- Stakeholder Relationship Committee
- Nomination and Remuneration Committee
- Share Transfer and Shareholder's/Investor's Grievance Committee

(i) Audit Committee

Terms of Reference:

The terms of reference of the Audit Committee are wide covering the matters specified under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and the provisions contained in Section 177 of the Companies Act, 2013 and they can be broadly stated as follows:

- a. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are true and fair.
- b. Recommending to the Board, the appointment, re-appointment of the statutory auditors, fixation of audit fees and fees for other services.
- c. Reviewing with the management the quarterly financial statements before submission to the board for approval.

- d. Reviewing the adequacy of internal control systems and internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- e. Discussing with internal auditors any significant findings and follow-up thereon.
- f. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal financial control systems of a material nature and reporting the matter to the Board.
- g. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- h. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- i. Scrutiny of corporate loans and investments.
- j. Approval or subsequent modification of transactions with related parties.
- k. Valuation of the undertaking or asset of the company wherever it is necessary.
- l. Monitoring the end use of funds raised through public offers and related matters.
- m. In addition to the above, all items listed in Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
- n. Review of functioning of whistle blower policy.

Composition, Name of Members and Chairperson:

Name of Member	No. of Meeting held	No. of Meeting attended
Mr. S.N. Singh (Chairman)	5	5
Mrs. Bela Sundar Rajan	5	4
Mr. A. Lakshman	5	5

Details of Audit Committee Meeting held during the year under review:

The Meetings were held on 31st May, 2021, 22nd July, 2021, 14th October, 2021, 18th October, 2021 and 2nd February, 2022.

The Company Secretary of the Company acts as Secretary to the Committee.

The Audit Committee Meetings are attended by the CFO, Statutory Auditor, Internal Auditor and the Whole Time Director. The Non-Executive Directors are present as an invitee. Other persons are invited to the meetings as and when required.

Presence of Chairman of the Audit Committee:

Mr. S. N. Singh, Chairman of the Audit Committee was present in the Annual General Meeting held on 15th July, 2021 during the Financial Year 2021-22.

Recommendations by the Audit Committee:

All the recommendations made by the Audit Committee are accepted and implemented by the Board of Directors.

(ii) Nomination and Remuneration Committee

a) Terms of Reference:

The terms of reference of this Committee are wide enough covering the matters specified under the Listing Regulations, 2015 and the Act.

It also acts as the Compensation Committee for administration of the Company's Lloyds Steels Industries Limited Employee Stock Option Plan – 2021("LLOYDS STEELS ESOP -2021").

b) Composition, Name of Members and Chairperson:

Name of Member	No. of Meeting held	No. of Meeting attended
Mr. A. Lakshman (Chairman)	4	4
Mr. S.N. Singh	4	4
Mrs. Bela Sundar Rajan	4	3

c) Details of Nomination and Remuneration Committee Meeting held during the year under review:

Meeting was held on 31st May, 2021, 22nd July, 2021, 14th October, 2021, and 25th December, 2021.

d) Remuneration Policy:

Remuneration Policy of the Company aims at recommending and reviewing the remuneration and professional fee if any (for specialized and technical services beyond the normal services) to Executive Director, Non-Executive Directors and Key Managerial Personnel of the Company and is based on evaluation criteria such as industry benchmarks, Company's annual performance & its strategy, expertise, talent and meritocracy including criteria for determining qualification, positive attributes and independence of Director etc.

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e) Annual Evaluation of Board, Committees and Individual Directors:

Pursuant to the provisions of the Act, Listing Regulations, 2015 and the Remuneration Policy of the Company, the Board of Directors/ Independent Directors/ Nomination and Remuneration Committee (as applicable) has undertaken an evaluation of its own performance, the performance of its Committees and of all the individual Directors including the Chairman of the Board of Directors based on various parameters relating to roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its Committees. Such evaluation is presented to the Nomination and Remuneration Committee and the Board of Directors (as applicable).

Directors express their satisfaction with the evaluation process.

(iii) Stakeholders' Relationship Committee

a) Terms of Reference:

The terms of reference of this Committee are wide enough covering the matters specified under the Listing Regulations, 2015 and the Act.

b) Composition, Name of Members and Chairperson:

Name of Member	No. of Meeting held	No. of Meeting attended
Mrs. Bela Sundar Rajan (Chairman)	1	1
Mr. S.N. Singh	1	1
Mr. A. Lakshman	1	1

Ms. Meenakshi A. Pansari, the Company Secretary is the Compliance Officer under the Listing Regulations.

c) Details of meeting held during the year under review:

Meeting was held on 2nd February, 2022.

d) Investors' Complaints:

No. of Complaints pending as on 1 st April, 2021	0
No. of Complaints identified and reported during Financial Year 2021-22	6
No. of Complaints disposed during the year ended 31 st March, 2022	6
No. of pending Complaints as on 31 st March, 2022	0

f) Presence of Chairman of the Stakeholders' Relationship Committee:

Smt. Bela Sundar Rajan, Chairman of the Stakeholder's Relationship Committee was present in the Annual General Meeting held on 15th July, 2021 during the Financial Year 2021-22.

(iv) Share Transfer and Shareholder's/Investor's Grievance Committee

The Share Transfer and Shareholder's/Investor's Grievance Committee comprises of Mr. Ashok Tandon as the Chairman of the Committee, Mr. R M Alegavi and Mr. K. M. Pradhan as Members of the Committee. The Share Transfer and Shareholder's/Investor's Grievance Committee meets as and when required to consider the transfer proposals and attend to Investors' grievances, transmission of shares, split, consolidation, issue of duplicate share certificate, re-materialization of shares etc.

4. REMUNERATION OF DIRECTORS

The remuneration payable to the Chairman and Whole Time Director is approved by the members at the general meeting of the Company. Remuneration of Chairman and Whole Time Director consists of fixed salary, perquisites, allowances etc., There is no Remuneration is being paid to Non- Executive Directors and Independent Directors but only sitting fees. Details of the remuneration/ Sitting Fees paid to the Directors are given below:

S. No	Name of the Director	Salary	Perquisites and allowances	Sitting Fees	Total
1.	Mr. Mukesh R. Gupta	6,41,333	59,62,268	-	66,03,601
2.	Mr. S. N. Singh	-	-	84,000	84,000
3.	Mrs. Bela Sundar Rajan	-	-	60,000	60,000
4.	Mr. Rajashekhar M. Alegavi	-	-	68,000	68,000
5.	Mr. A Lakshman	-	-	84,000	84,000
6.	Mr. K.M. Pradhan	-	-	72,000	72,000
7.	Mr. Ashok Tandon	-	-	68,000	68,000
8.	Mr. Ashok Kumar Sharma	-	-	48,000	48,000

*Note: There were no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company except the Technical consultancy Fees/ Charges on account of services rendered and for the details please refer **Annexure G** (AOC-2). The Company has not granted any stock option to any of its Non-Executive Directors. None of the Director(s) of the Company is related to any other Director(s) of the Company in any capacity.*

5. GENERAL BODY MEETINGS

a. Annual General Meeting:

The Annual General Meetings of the Company during the preceding three years were held the following dates and times, wherein the following special resolutions were passed:

AGM	Year	Date, Day & Time	Venue	Brief Description of Special Resolution
27 th	2020-2021	15.07.2021 Thursday, at 11:30 A.M	Through Video Conferencing/Other Audio-Visual Means	<ol style="list-style-type: none"> 1. Appointment of Mr. Mukesh R. Gupta as a Chairman and Whole Time Director of the Company. 2. Re-appointment of Mr. S.N. Singh as an Independent Non-Executive Director of the Company. 3. Re-appointment of Smt. Bela Sundar Rajan as an Independent Non-Executive Woman Director of the Company. 4. Approval for Giving Loan or Guarantee or Providing Security Under Section 185 of the Companies Act, 2013
26 th	2019-2020	08.09.2020 Tuesday At 11:30 A.M	Through Video Conferencing/Other Audio-Visual Means	No Special Resolution was passed in this meeting
25 th	2018-2019	19.08.2019 Monday at 10.30 A.M.	Plot No. A-5/5, MIDC Industrial Area, Murbad, Dist. Thane – 421 401, Maharashtra	Revision in terms of appointment and remuneration of Mr. Ashok Tandon, Managing Director of the Company w.e.f. 01.04.2019.

b. Extraordinary General Meeting (EGM):

There were two Extraordinary General Meetings (EGMs) of the Company was held during the Financial Year 2021-22 i.e. on 12th November, 2021 and 24th January, 2022.

c. Postal Ballot:

No Special Resolution was passed through postal ballot during the last Financial Year i.e 2021-22.

None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

6. MEANS OF COMMUNICATION

Information like quarterly / half yearly / annual financial results and press releases on significant developments in the Company that have been made available from time to time, are hosted on the Company's website www.lloydsengg.in and have also been submitted to the Stock Exchanges to enable them to put them on their websites and communicate to their members. The quarterly half yearly / annual financial results are published in Business Standard (English) and Mumbai Lakshadweep (Marathi) newspapers. The Company is electronically filing all reports / information including Quarterly Results, Shareholding Pattern and Corporate Governance Report etc. on the BSE website i.e www.listing.bseindia.com and NSE website i.e. www.connect2nse.com.

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7. GENERAL SHAREHOLDER INFORMATION

7.1	Annual General Meeting	Date: 13th August, 2022 (Saturday) Time: 2.00 P.M. (IST) Venue: Video Conferencing (VC)/Other Audio-Visual Means (OAVM)	
7.2	Financial Year	1 st April, 2021 to 31 st March, 2022	
7.3	Financial calendar	Approval of quarterly results: May, July, October and January. Annual General Meeting in June/July/August.	
7.4	Date of Book Closure	7 th August, 2022 to 13 th August, 2022 (both days inclusive)	
7.5	Dividend Payment Date	The Final Dividend, if approved, shall be paid on or before Friday, 9 th September, 2022	
7.6	Listing on Stock Exchanges	Equity Shares BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 Scrip Code: 539992	Equity Shares National Stock Exchange of India Ltd. (NSE) Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai 400 051. Scrip Code: LSIL
7.7	Annual listing fee	Annual listing fee for the year 2021-22 as applicable has been paid to BSE and NSE.	
7.8	Correspondence Address	Corporate Office: A-2, Madhu Estate, 2 nd Floor, Pandurang Budhkar Marg, Lower Parel (W), Mumbai 400 013. Tel. No. 6291 8111.	

8. STOCK MARKET PRICE DATA – BSE & NSE

2021-2022	Quotation at Bombay Stock Exchange		BSE Sensex Close	Quotation at National Stock Exchange		NSE – NIFTY Close
	Share Price (In ₹)			Share Price (In ₹)		
Months	High	Low		High	Low	
April	1.49	1.05	48,782.36	1.45	1.05	14,631.10
May	2.33	1.51	51,937.44	2.10	1.50	15,582.80
June	4.15	1.91	52,482.71	3.90	1.95	15,721.50
July	4.00	2.72	52,586.84	3.90	2.80	15,763.05
August	3.69	2.48	57,552.39	3.70	2.55	17,132.20
September	3.37	2.86	59,126.36	3.35	2.85	17,618.15
October	7.50	3.24	59,306.93	7.00	3.20	17,671.65
November	12.82	5.86	57,064.87	12.50	5.55	16,983.20
December	19.80	8.99	58,253.82	19.70	8.95	17,354.05
January	28.95	16.95	58,014.17	28.80	16.85	17,339.85
February	20.50	12.15	56,247.28	20.35	12.05	16,793.90
March	17.20	11.85	58,568.51	17.00	11.80	17,464.75

9. REGISTRAR AND SHARE TRANSFER AGENT

M/s. Bigshare Services Private Limited
Office No S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai – 400093. Maharashtra
Phone : 022-6263 8222/223/236
Fax : 022-6263 8299
E-Mail : investor@bigshareonline.com

10. SHARE TRANSFER SYSTEM

In terms of Regulation 40(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, securities can be transferred only in dematerialized form w.e.f. 1st April, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories. Shareholders should communicate with M/s. Bigshare Services Pvt. Ltd., the Company's Registrars and Transfer Agents (RTA) quoting their Folio No. or Depository Participant ID and Client ID No. for any queries to their securities. Requests for Dematerialization of shares are processed and confirmation is given to the respective depositories i.e. NSDL and CDSL within 21 days.

11. DISTRIBUTION OF SHAREHOLDING

The shareholding distribution of equity shares as on 31st March, 2022 is given hereunder: (Nominal value of each share ₹ 1/-)

NO. OF SHAREHOLDERS	% OF TOTAL	SHARE HOLDING	NO. OF SHARES	% OF TOTAL
398741	97.36	1-5000	16,67,69,868	18.56
5991	1.46	5001-10000	4,55,24,197	5.07
2587	0.63	10001-20000	3,75,03,788	4.17
871	0.21	20001-30000	2,17,81,719	2.42
366	0.09	30001-40000	1,29,29,505	1.44
275	0.07	40001-50000	1,29,15,981	1.44
457	0.11	50001-100000	3,34,67,096	3.72
279	0.07	100001- 999999999	56,78,06,228	63.18
409567	100.00	-	89,86,98,382	100.00

12. CATEGORIES OF SHAREHOLDERS (AS ON 31ST MARCH, 2022)

The categories of shareholders are shown hereunder:

CATEGORY	NO. OF SHAREHOLDERS*	NO. OF SHARES	% OF HOLDING
PROMOTERS	5	1,66,899	0.02
CORPORATE BODIES (PROMOTER CO)	3	47,98,37,185	53.39
CORPORATE BODIES	539	79,50,870	0.88
CORPORATE BODY NBFC	1	3,400	0.00
FOREIGN INST. INVESTOR	4	18,156	0.00
FOREIGN PORTFOLIO INVESTOR	2	2,00,603	0.02
MUTUAL FUND	22	3,39,878	0.04
NATIONALISED BANKS	12	1,57,916	0.02
NON-NATIONALISED BANKS	1	204	0.00
NON-RESIDENT INDIAN	3,081	60,20,118	0.67
PUBLIC	4,05,729	39,67,44,950	44.15
STATE GOVERNMENT	1	136	0.00
TRUSTS	3	340	0.00
UNCLAIMED SUSPENSE ACCOUNT	1	40,49,536	0.45
UNIT TRUST OF INDIA	11	2,372	0.00
CLEARING MEMBER	152	32,05,819	0.36
TOTAL	4,09,567	89,86,98,382	100

*The above data is based on Dp IDs and one Dp ID has been counted as one shareholder.

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13. TOP TEN SHAREHOLDERS ACROSS ALL CATEGORIES AS ON 31ST MARCH, 2022

SR. NO.	NAME OF SHAREHOLDERS	NO. OF SHARES	% OF HOLDING
1.	SHREE GLOBAL TRADEFIN LIMITED (Including Ragini Trading & Investments Limited merged with Shree Global Tradefin Limited)	47,98,37,185	53.39
2.	ANIL VISHANJI DEDHIA	73,00,000	0.81
3.	KUNJAN ANIL DEDHIA	63,00,000	0.70
4.	VIVEK BHIMSARIA	52,01,582	0.58
5.	VASANJI SHAMJI DEDHIA (HUF).	29,50,000	0.33
6.	VIKAS BHANSALI	22,14,308	0.25
7.	RAMESH VANIGOTTA	20,88,750	0.23
8.	VIKASHKUMAR JAIN	16,25,615	0.18
9.	SHAREKHAN LIMITED	13,41,368	0.15
10.	KAUSHIKKUMAR TARAKNATH BASU	7,57,000	0.08

***Shares lying under Unclaimed Suspense Account have not been counted.**

14. RECONCILIATION OF SHARE CAPITAL AUDIT

As stipulated by SEBI, a qualified Practicing Company Secretary/Chartered Accountant carries out the Reconciliation of Share Capital to reconcile the total capital held with the National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Audit is carried out every quarter and the report thereon are submitted to the Stock Exchanges. The report, inter alia, confirms that the number of shares issued, listed on the Stock exchange and that held in demat and physical mode are in agreement with each other.

15. DEMATERIALIZATION OF SHARES

As per SEBI's direction the Company had signed tripartite agreements with both the Depositories (NSDL & CDSL) and Registrars and Transfer Agents. Accordingly, dematerialization facility for the shares of the Company is available and it is in the interest of all the shareholders to convert their physical holdings into electronic holdings by dematerialization. As on 31st March, 2022, **89,04,31,662** shares were held in dematerialized form which constitutes approximately **99.08%** of total number of subscribed shares.

16. LIQUIDITY

Company's Shares are traded on the Bombay Stock Exchange & National Stock Exchange of India.

17. OUTSTANDING GDRs/ ADRs/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND DATE AND LIKELY IMPACT ON THE EQUITY

The Company has not issued any GDRs / ADRs.

However, there are outstanding 16,50,00,000 convertible warrants and 1,51,80,000 Optionally Fully Convertible Debentures (OFCDs) as on 31st March, 2022.

Impact on Equity:

If the outstanding 16,50,00,000 convertible warrants and 1,51,80,000 Optionally Fully Convertible Debentures (OFCDs) get converted into Equity Shares, the paid-up equity Share Capital of the Company will increase by a like number of shares i.e. 18,01,80,000 Equity Shares.

Redemption/Maturity Date:

The expiry date of 16,50,00,000 convertible warrants is 21st May, 2023. The redemption date of 1,51,80,000 OFCDs if not converted into equity shares is 26th July, 2023.

18. INFORMATION ON DEVIATION FROM ACCOUNTING STANDARDS, IF ANY

There has been no deviation from the Accounting Standards in preparation of annual accounts for the Financial Year 2021-22.

19. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

Not Applicable

20. REGISTERED OFFICE & PLANT

Registered Office:

Plot No. A-5/5, MIDC Industrial Area, Murbad, Dist. Thane – 421 401, Maharashtra State.

Plant:

Plot No. A-5/4, A-5/5 & A-6/3, MIDC Industrial Area, Murbad, Dist. Thane – 421 401, Maharashtra State.

21. ADDRESS FOR CORRESPONDENCE

A-2, Madhu Estate, 2nd Floor, Pandurang Budhkar Marg, Lower Parel (W), Mumbai 400 013.
Tel. No. 6291 8111.

Investor Correspondence:

For transfer / dematerialization of shares, payment of dividend on shares, interest and redemption of debentures, and any other query relating to the shares and debentures of the Company.

M/s. Bigshare Services Private Ltd

Office No S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai – 400093. Maharashtra
Tel. +91 22 6263 8222/223/236
Fax +91 22 6263 8299
E-mail: investor@bigshareonline.com

Any query on Annual Report**Secretarial Department:**

A-2, Madhu Estate, 2nd Floor,
Pandurang Budhkar Marg,
Lower Parel (W), Mumbai 400 013.
Tel. No. 022-6291 8111
E mail: infoengg@lloyds.in, mapansari@lloyds.in

22. INDEPENDENT DIRECTORS' CONFIRMATION

In terms of Schedule V (c) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the declaration of independence received from the Independent Directors of the Company, we are of the opinion that the Independent Directors of the Company fulfills the conditions specified under Regulation 16(b) of Listing Regulations and are Independent of Management.

23. OTHER DISCLOSURES**a. Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:**

All transactions entered into with related parties as defined under the Act and Regulation 23 of the SEBI Listing Regulations, each as amended, during the year under review were on an arm's length price basis and in the ordinary course of business. These have been approved by the Audit Committee.

The Company has not entered into any materially significant related party transaction that may have potential conflict with the interests of listed entity at large. The policy on dealing with related party transaction is placed on the Company's website at www.lloydsengg.in.

b. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last 3 years:

Not Applicable

c. Details of establishment of Vigil Mechanism, Whistle Blower Policy, and affirmation that no personnel have been denied access to the Audit Committee:

The Company has a Whistle Blower Policy that provides a formal mechanism for all employees of

the Company to approach the Chairman of the Audit Committee of the Company and make protective disclosures about the unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct.

The disclosures reported are addressed in the manner and within the time frames prescribed in the policy. Under the policy, each employee has an assured access to the Ethics Chairman of the Audit Committee. The Whistle Blower Policy is displayed on the website of the Company, viz, www.lloydsengg.in.

d. Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause:

The Company has complied with all applicable mandatory requirements as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e. Web link where policy for determining material subsidiaries is disclosed:

Not Applicable

f. Web link where policy on dealing with Related Party Transactions:

https://www.lloydsengg.in/wp-content/uploads/content/Related_Party_Disclosures_Policy.pdf

g. Credit Ratings:

Not Applicable

h. Disclosure of Commodity Price Risks and Commodity Hedging Activities:

Not Applicable

i. Green Initiative:

Pursuant to section 101 and 136 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and Companies (Accounts) Rules, 2014, the Company can send Notice of Annual General Meeting, financial statements and other Communication in electronic forms. This Company is sending the Annual Report including the Notice of Annual General Meeting, Audited Financial Statements, Directors Report, Auditors Report alongwith the annexure etc. for the Financial Year 2021-22 in the electronic mode to the shareholders who have registered their e-mail ID's with the Company and/or their respective Depository Participates (DPS).

Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses. Those holding shares in Demat

LLOYDS STEELS INDUSTRIES LIMITED

form can register their e-mail addresses with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the Company's Registrar and Share Transfer Agent "Bigshare Services Private Limited".

j. Sexual Harassment of Women at The Workplace:

Your directors state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has complied with the provisions relating to the Constitution of Internal Complaints Committee under the aforesaid Act.

24. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS MENTIONED ABOVE WITH REASONS THEREOF SHALL BE DISCLOSED

There was no non-compliance of any of the provisions applicable to the Company.

25. DISCLOSURE BY KEY MANAGERIAL PERSONNEL ABOUT RELATED PARTY TRANSACTIONS

The Board has received disclosures from key managerial personnel relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large.

26. DISCLOSURE OF ACCOUNTING TREATMENT

The Indian Accounting Standard (Ind-AS) notified under Section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs and the applicable Accounting Standards/ Guidance Notes / Announcements issued by the Institute of Chartered Accountants of India as notified from time to time, have been followed in preparation of the financial statements of the Company.

27. PROCEEDS FROM PUBLIC ISSUES, RIGHTS ISSUES AND PREFERENTIAL ISSUES ETC

During the year under review, the Company raised the funds through issue of 16,50,00,000 warrants convertible into equity shares on preferential basis to Promoters/ Promoter entities and issue of 1,51,80,000 Optionally Fully Convertible Debentures to Non-Promoters on Preferential allotment basis. The total funds of ₹ 36,64,32,000/- raised through aforesaid preferential allotment has been fully utilized by the Company during the year 2021-22 and the company affirms that there has been no deviation or variation in utilization of such proceeds raised through the preferential allotment.

28. MATTERS RELATED TO CAPITAL MARKETS

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by any Stock Exchanges or SEBI or any statutory authority, on any matter relating to capital markets, during the last three years.

29. MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion & Analysis Report is a part of Director's Report.

30. DETAILS OF TOTAL FEES PAID TO THE STATUTORY AUDITORS

The details of total fees for all services paid by the Company on a consolidated basis for the Statutory Audit:

(₹ In Lakhs)

Type of Service	2021-22	2020-21
Statutory Audit Fees	1.50	1.50
Tax Audit Fees	0.50	0.50
Certification Charges	0.04	0.00
Total	2.04	2.00

31. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the listed entity shall disclose the details with respect to Demat Suspense Account/Unclaimed Suspense Account in its annual report, as long as there are shares in the unclaimed suspense account. The details of Lloyds Steels Industries Limited Unclaimed Suspense Account are as follows:

Sr. No	Particulars	Demat	
		No. of Shareholders	No. of Unclaimed Equity Shares
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 01 st April, 2021	27,202	40,56,712
2	Unclaimed shares transferred to unclaimed suspense account during the Financial Year 2021-22	0	0
	Total (1+2)	27,202	40,56,712

3	Number of Shareholders, Number of Unclaimed Equity Shares & Number of shareholders to whom shares were transferred from suspense account during the Financial Year 2021-22	20	7176
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31 st March, 2022 (1+2-3)	27,182	40,49,536

The voting rights on the shares in the unclaimed suspense accounts as on 31st March, 2022 shall remain frozen till the rightful owners of such shares claim the shares.

32. CEO/CFO CERTIFICATION

The Whole Time Director and Chief Financial Officer of the Company have given the certification of Financial Reporting and Internal Controls to the Board in terms of Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The requisite Certificate is annexed hereto marked as 'ANNEXURE - I' and forms part of this report.

33. INDEPENDENT DIRECTOR CONFIRMATION

In terms of Schedule V(C)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the declaration of independence received from the Independent Directors of the Company, we are of the opinion that the Independent Directors of the Company fulfills the conditions specified under Regulation 16(b) of Listing Regulations and are independent of Management

34. COMPLIANCES UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Company has complied with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

However, there was fine imposed by the stock exchanges for not having the majority of Independent Director the Board w.e.f. 31st May, 2021 till 21st July, 2021 for which company submitted the fine waiver requests which is still under consideration by the BSE and NSE has not waived the fines as per decision issued by them.

The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance is annexed hereto marked as 'ANNEXURE - II' and forms part of this report.

35. CERTIFICATION FROM COMPANY SECRETARY IN PRACTICE

M/s. H. Maheshwari & Associates, Practicing Company Secretaries, has issued a Certificate as required under the Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of Companies by the SEBI/ Ministry of Corporate Affairs or any such Statutory Authority. The certificate is enclosed with this Report as 'Annexure – III'.

36. DECLARATION OF COMPLIANCE OF THE CODE OF CONDUCT IN TERMS OF SCHEDULE V(D) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 IS GIVEN HEREUNDER

In terms of Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per "Affirmation of Compliance" letters received from the Directors and the Members of the Senior Managerial Personnel of the Company, I hereby declare that Members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management during the Financial year 2021-22.

For and on behalf of the Board of Directors
Lloyds Steels Industries Limited

Dated : 11th May, 2022
Place : Mumbai

Sd/-
Mukesh R. Gupta
Chairman

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ANNEXURE - I CEO/CFO CERTIFICATE [Regulation 17(8)]

To,
The Board of Directors
Lloyds Steels Industries Limited

We hereby certify that we have reviewed the Financial Statements and the Cash Flow Statement for the Financial Year Ended 31st March, 2022 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable Laws and Regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the aforesaid period which are fraudulent, illegal or violate of the Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal control systems, if any, of which we are aware, and that we have taken the required steps to rectify these deficiencies.
5. We have indicated to the Auditors and the Audit Committee that:
 - (a) There have been no significant changes in internal control over financial reporting during the year.
 - (b) There have been no significant changes in accounting policies during the year.
 - (c) There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
Mukesh R. Gupta
Chairman and
Whole time Director

Sd/-
Kalpesh P. Agrawal
Chief Financial Officer

Date: 11th May, 2022
Place: Mumbai

ANNEXURE - II AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members,
Lloyds Steels Industries Limited,
CIN: L28900MH1994PLC081235
Plot No.A-5/5, MIDC Industrial Area,
Murbad, Dist. Thane – 421 401

We have examined the compliance of conditions of Corporate Governance by Lloyds Steels Industries Limited (the Company), for the year ended 31st March, 2022, as prescribed in Regulations 17 to 27, 46 (2) (b) to (i) and para C and D of Schedule V of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

We state that the compliance of conditions of Corporate Governance is the responsibility of the management and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the Compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned LODR.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Tadarwal & Tadarwal LLP
Chartered Accountant
ICAI Reg. No. 111009W/W100231

Sd/-
Kunal Tadarwal
Partner M.No.137804
UDIN: 22137804ALNMQV3163

Dated: 11th May, 2022
Place: Mumbai

ANNEXURE B

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Core business of the Company is Designing, Engineering, Manufacturing, Fabrication, Supply, Erection and Commissioning of all types of Customised Capital Equipment such as Mechanical, Hydraulic, Structural, Process Plants, Metallurgical, Chemical Plants including Marine Loading/Unloading Arms, Truck/Wagon Loading/Unloading Arms, Columns, Pressure Vessels, Dryers, Boilers, Power Plant, Steel Plant and execution of Turnkey and EPC projects.

The Company has collaboration agreement with L3 Harris, Bologna, Italy for Fin Stabilizers and Steering Gears with Controls for Indian Naval Ships and Indian Coast Guard Ships. The Company has an arrangement with Technip Energies, France (earlier Technip FMC / FMC Technologies SA) for design, manufacture, supply, erection and commissioning of Marine, Truck/Wagon Loading Arms. The Company has a Teaming Agreement and MOU with SPIC, Yuanda Environmental Protection Equipment Manufacturing Company Limited, China for Design, Manufacture and Supply of ESP, Bag Filter House, Flue Gas Desulfurisation and Denox Systems for Environmental Projects such as Power, Hydrocarbon, Fertilizers and Steel Sector.

During the current Financial Year, the Company has executed orders/jobs by supplying critical equipment's such as Column, Pressure Vessels, Dryers, Waste Heat Recovery Boiler Package and items, Construction of Mounded Storage Vessels (LPG) and Fire Water Tanks, Steel Ladles, Items for SMS Billets, Loading / Unloading Arms, Spares for various items, carried out erection, installation and commissioning work and provided technical services to various Public and Private Sector Companies and Government Bodies /Agencies in diversified areas and fields broadly covering Refinery & Petroleum, Oil & Gas, Power, Steel Plant Equipments, Mining, Nuclear Projects, Ports and Naval Shipyard amongst others.

The Company is approved for its engineering skills/works/ services by various premier consulting companies and Inspection Agencies such as MECON, LRIS, BVIS, EIL, PDIL, TOYO amongst various other agencies.

The Company's works has been approved by Industrial Boiler Regulatory Authority (IBR). The company has further been approved for ISO 9001:2015 by SGS UK for Design, Manufacture and Supply of Equipment for Industrial Sector – Hydrocarbon, Nuclear Power, Space, Defence, Process plants, Loading/Unloading Arms, Steel Plant, Boiler and Boiler Equipment. The Company's Fabrication Shop at Murbad has been approved by the Petroleum and Explosives Safety Organisation (PESO) under the Ministry of Commerce and Industry for Fabrication of Non-Cryogenic Pressure Vessels.

The Company continues to have Certificate of Authorization by the American Society of Mechanical Engineers (ASME) and use of the Certification Marks "U", "U2" and "S" for

manufacture of pressure vessels and manufacture and assembly of boilers in the Company's Works and field sites.

The Company continues to participate in the tenders of various Public and Private Sector Companies, Government Organizations, Navy, Ports, and has secured reasonable orders during the Financial Year for supply of Columns, Pressure Vessels, Heat Exchangers, Waste Heat Recovery Boiler, DRI Plant, Material Handling systems, Civil work, Unloading Arm and for supply of various spare parts and actively looking for obtaining further orders/execution of works. The Company's order position as on 1st April, 2022 stands at ₹ 377.16 Crores.

The Company has doubled its capacity by acquiring an existing fabrication set-up for manufacturing medium and heavy equipment. The company further is upgrading an existing shed equipped with a heavy lift crane hook height of 15 meters and most modern manufacturing and material handling facilities. To augment its machining facility, the company has also added CNC Tube sheet drilling machine upto 1000 mm thickness so that it can be one of the few companies to cater to larger heat exchangers for various applications.

The company plans to focus on more value added & sophisticated capital goods manufacturing in the coming years in the field of Boilers & exotic material equipment's.

a. Engineering Industry and Business Overview:

The Indian Engineering Industry was impacted during the Financial Year 2021-22 on account of the continuance of Covid-19 pandemic and also due to spiraling of Steel Prices coupled with the inflation. The Government has initiated measures for mega projects as part of economic stimulus and further the "Atmanirbhar Bharat" initiative to drive self-sufficiency is helping the industry. The expansion plans of various Petrochemical and Refinery Sectors are further contributing to the improvement in the overall Engineering Industry Business Scenario. The Government is also aggressively supporting Indigenization for the defense equipment's.

b. Risk & Concerns:

The Banks are cautious in their lending to the Corporate Sector perhaps on account of large Non-Performing Assets (NPA). This has impacted the investment by Public and Private Corporate Sectors in their expansion plans. Margins in the Engineering Industry continue to be under pressure. We are continuously up-grading our skills, modernization and cost saving. Risk and concerns are being addressed on a continuous basis. The business has weathered the challenges posed by the COVID-19 pandemic by adopting safe working practices, encouraging work from home whenever needed, increasing the virtual meetings, virtual audits and inspections, online approvals amongst other measures. The company's strong financial statements & negligible financial leverage is advantageous to get benefit of the Risk faced by most of the industries.

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c. Internal Control System and Audit:

The Company believes in systematic working and placing appropriate internal control systems and checks. Proper checks and systems are in place and regular reviews are held by the Head of Department and Senior Management to check that the systems and controls are adhered. The reviews also prescribe changes wherever required. The efficiency of Internal Control Systems is ensured as a combined result of the following activities:

1. Operational performance is reviewed in the works as well as in the Corporate Office by the Senior Management through daily follow-up/weekly meetings.
2. Performance of each function is closely monitored by the Head of Department and Senior Management through daily/weekly/monthly review meetings. Reviews of all independent functions are regularly undertaken. Cross functional activities are periodically reviewed.
3. Various policies are introduced from time to time to ensure effective functioning of various departments, such as Business Development, Projects, Procurement, Commercial, Finance, HR, etc.
4. Great care is taken at the time of estimation so that we are not only competitive but also, to add positive contribution towards the growth of the Company.
5. The Internal Auditors of the company conducts financial, operational and management audit of various functions and areas. Their reports are placed before the Audit Committee / Board and appropriate actions as deemed fit are initiated based on the reports.
6. The Audit Committee / Board also oversees financial systems, procedures and internal controls and competent to call for any information/document from any department/function.

d. Human Resources and Industrial Relations:

Human Resources Department ("HRD") works continuously for maintaining healthy working relationship with the workers and other staff members. The underlying principle is that workers and staff at all levels are equally instrumental for attaining the Company's goals. The various functions are continuously strengthened by appropriate recruitment. Groups of Graduate Engineers are recruited every year & the training programs are

regularly conducted to update their skills and apprise them of latest techniques. The low attrition rate signifies healthy working relationship of Employer and Employee. Senior Management is easily accessible for counseling and redressal of grievances if any. The HR Department strives to maintain and promote harmony and co-ordination amongst Workers, Staff and Members of the Senior Management. The Company has framed an Employee Stock Option Scheme (ESOP) with rules and regulations as an incentive to employees to increase productivity at all levels.

The Industrial Relations in the Company's Units located at Murbad as well as in the Work Sites during the year under review was cordial.

e. Cautionary Statement:

The Management Discussion and Analysis describe Company's projections, expectations or predictions and are forward looking statements within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand and supply and price conditions in domestic and international market, changes in Government Regulations, tax regimes, economic developments, the Covid-19 pandemic and other related and incidental factors.

f. Key Financial Ratios:

In accordance with the SEBI (Listing Obligations and Disclosure Requirements 2018) (Amendment) Regulations, 2018, the Company has identified the following ratios as key financial ratios:

Particulars	2021-22	2020-21
Operating Profit Margin (%)	26.20	2.09
Net Profit Margin (%)	9.94	0.61
Return on Net Worth (%)	4.39	0.93
Current Ratio	5.13	4.31
Inventory Turnover Ratio	1.30	3.52
Debtors Turnover Ratio	5.37	4.18
Debt - Equity Ratio	0.19	0.04
Interest Coverage Ratio	2.03	2.41

BUSINESS RESPONSIBILITY REPORT**[As per Regulation 34(2)(f) of SEBI (LODR) Regulations, 2018 and its amendments thereof,]****SECTION A: GENERAL INFORMATION ABOUT THE COMPANY**

1.	Corporate Identity Number (CIN) of the Company	L28900MH1994PLC081235
2.	Name of the Company	Lloyds Steels Industries Limited
3.	Registered address	Plot No. A-5/5, MIDC Industrial Area, Murbad, Thane – 421 401
4.	Website	www.lloydsengg.in
5.	E-mail id	infoengg@lloyds.in
6.	Financial Year reported	1 st April 2021 - 31 st March 2022
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	2829 - Manufacture of other special-purpose machinery (Heavy Engineering Equipment)
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Columns, Pressure Vessels, Boilers, Heat Exchangers, Steel Plant Equipments, Waste Heat Recovery Boiler, Driers Packages, Loading Arms.
9.	Total number of locations where business activity is undertaken by the Company	Murbad (Maharashtra), Delhi, Chennai and various project sites
(a)	Number of International Locations (Provide details of major 5)	Nil
(b)	Number of National Locations	Corp Office: A-2, Madhu Estate, 2 nd Floor, Pandurang Budhkar Marg, Lower Parel (W), Mumbai 400 013. Branches: Delhi - 508 Govardhan Building, 54/55, Nehru Place, New Delhi-110019 India. Chennai - Shop No F7 A/F2, No.15/7, Hamid Center, 1 st Floor, Babu Madhali Street, Chennai-600 086, India
10.	Markets served by the Company – Local/State/ National/International	Domestic (India)/International

SECTION B: FINANCIAL DETAILS OF THE COMPANY**(As on 31st March, 2022)**

1.	Paid up Capital	₹ 89.87 Crores
2.	Total Turnover	₹ 50.09 Crores
3.	Total profit after taxes	₹ 5.94 Crores
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	NA
5.	List of activities in which expenditure in 4 above has been incurred: -	NA

SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	No
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	N.A.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

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SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

1.	DIN Number	00028347
2.	Name	Mr. Mukesh R. Gupta
3.	Designation	Chairman and Whole Time Director

(b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	00028347
2	Name	Mr. Mukesh R. Gupta
3	Designation	Chairman and Whole Time Director
4	Telephone number	022 6291 8111
5	e-mail id	infoengg@lloyds.in

Principle-wise (as per NVGs) BR Policy/policies

Name of principles:

- P1 – Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
- P2 – Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
- P3 – Businesses should promote the well-being of all employees
- P4 – Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
- P5 – Businesses should respect and promote human rights
- P6 – Businesses should respect, protect, and make efforts to restore the environment
- P7 – Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
- P8 – Businesses should support inclusive growth and equitable development
- P9 – Businesses should engage with and provide value to their customers and consumers in a responsible manner

(a) Details of compliance (Reply in Y/N)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	All Policies have been approved by the Board and have formulated in consultation with the management of the Company.								
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The policies are broadly based on the National Voluntary Guidelines on social responsibilities and economical responsibilities of business issued by the Ministry of Corporate Affairs, Government of India and SEBI(LODR).								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	All Policies have been approved by the Board and have formulated in consultation with the management of the Company. They have been signed by Company's appropriate authority.								

5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	The Board of Directors of the Company oversee the implementation of the various policies of the Company
6	Indicate the link for the policy to be viewed online?	https://www.lloydsengg.in/policies/
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The Policies are available on the website of the Company for information of all stakeholders.
8	Does the company have in-house structure to implement the policy/ policies.	Yes, the Board of Directors are responsible for the implementation of BR policies of the Company.
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes, any grievance or feedback related to the policies can be sent to infoengg@lloyds.in . The Board of Directors /the relevant Committee is responsible for addressing stakeholder grievances / concerns related to BR policies.
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Policies are evaluated internally

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

2. Governance related to BR

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, more than 1 year

Annually

- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

It is the first time that the Company is publishing BR Report for the Financial Year Ended 31st March, 2022.

LLOYDS STEELS INDUSTRIES LIMITED

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs / Others?

Yes. The Company firmly believes in transparent, fair and ethical business practice. The Company has a Code of Business Conduct & Ethics Policy. The Company also has following Policies in place:

(a) Whistle-blower Policy

(b) Prevention of Sexual Harassment.

These Policies lay down the rules and procedures which the employees can report any suspected wrongdoing or fraudulent business practices without fear of reprisals, thereby helping the Company to uphold its high standards.

2. How many stakeholder complaints have been received in the past Financial Year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During the year the Company did not receive any stakeholder complaints.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

N.A, we are an engineering product manufacturing Company and process designs are provided by the Customers/Process Licensor.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

N.A, we manufacture customized products meeting customer requirement.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

At least 80% to 90% in sourcing, we always refer to history of sourcing done earlier which is controlled through SAP ERP. Our emphasis is to do sourcing

from sustainable suppliers having good past track record.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

We regularly do capability and capacity evaluation of small vendors and guide them whenever required.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

We recycle scrap generated during manufacturing of engineering equipment's through disposal to casting units. Waste Generated is disposed off as per norms of State Pollution Control Board.

Principle 3

1. Please indicate the Total number of employees.

134 (Excluding point no. 2 below)

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.

155

3. Please indicate the Number of permanent women employees.

11

4. Please indicate the Number of permanent employees with disabilities

N.A.

5. Do you have an employee association that is recognized by management.

No

6. What percentage of your permanent employees is members of this recognized employee association?

NA.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

During the year, no complaints were received relating to child labour, forced labour, involuntary labour and sexual harassment.

8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?

We place high importance on the safety of our employees which is routinely reviewed for improvement. We ensure as much possible that our

employees should receive health and safety training. We also encourage constant learning as well as personal and professional development. To achieve this goal, we provided soft and technical skill up-gradation to most of our employees. We continue to focus our efforts on training our employees and add holistic value.

Principle 4

1. Has the company mapped its internal and external stakeholders?

Yes

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

No

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

No.

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

It covers only Company.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

During the year the Company did not receive any stakeholder complaints

Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

It covers only Company.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for web page etc.

No

3. Does the company identify and assess potential environmental risks? Y/N –

Yes

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

No

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Yes, as installation of Solar Panels are under construction in our manufacturing facilities and project feasibility studies are in process.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, within SPCB limits

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e., not resolved to satisfaction) as on end of Financial Year.

Nil

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

The Company is a member of Murbad Manufacturing Association Limited

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

No

Principle 8

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company is expanding its operations through acquisitions of existing facilities as well as creating new facilities and is focused employment generation which will lead to inclusive growth and equitable development.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

It is a mix of inhouse team and external agencies.

3. Have you done any impact assessment of your initiative?

No

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

Nil

LLOYDS STEELS INDUSTRIES LIMITED

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

No. However, the Company shall be ensuring to take steps for the Community development initiatives in near future through CSR initiatives.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of Financial Year.

Nil

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

The Company follows all laws with respect to product labelling and display of product information as per contract terms with the customers.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of Financial Year. If so, provide details thereof, in about 50 words or so.

Nil

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

We have internal procedures as per ISO 9001 guidelines to seek customer feedback and analysis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

1. CONSERVATION OF ENERGY:

Murbad Works of the Company adopts a cautious approach in power and fuel consumption by optimizing the operation of shifts which has an impact of conservation of strict fuel consumption measures.

2. TECHNOLOGY ABSORPTION:

The Company closely monitors the various Technology Developments relevant to its business and keep absorbing such developments for up gradation and improvisation of its Manpower and Machinery.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ in Lakhs)

Account Head	2021-22	2020-21
Earnings:		
Technical Consultants	13.71	4.93
Technical Assistance	-	0.37
FOB Value of Exports	-	-
Outgo:		
Travelling	23.37	-
Raw Materials, Stores and Spares	1,171.85	132.34
Engineering and Design	6.60	2.71
Technical and Professional Charges	-	-
Membership & Subscription	1.57	14.63
Testing Charges	-	-
Repairs & Maintenance – Plant & Machinery	-	-
Business/Sales Promotion Expenses	-	-

For and on behalf of the Board of Directors
Lloyds Steels Industries Limited

Date: 11th May, 2022

Place: Mumbai

Sd/-
Mukesh R. Gupta
Chairman

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,
The Members,
Lloyds Steels Industries Limited
(CIN : L28900MH1994PLC081235)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Lloyds Steels Industries Limited (hereinafter called 'the company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2022 (Audit Period), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2022, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during the audit period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the audit period);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the Company during the audit period); and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 hereinafter referred as 'SEBI (LODR) Regulations 2015'.
- (vi) As informed and certified by the management, there are no laws that are specifically applicable to the business activities carried on by the Company based on its section/industry.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE);

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

1. *As per Regulation 17(1) of SEBI (LODR) Regulations 2015 and explanation thereof, The Board of Directors of listed entity shall have majority of Independent Directors in case of Chairperson of the Board is related to promoters. The listed entity did not have majority of Independent Director after Appointment of Mr. Mukesh R. Gupta, one of promoters as Chairman and Whole Time Director on 31.05.2021. It was observed that delay was caused due to exceptional circumstances which was rectified by Changing the Designation of Mr. K.M. Pradhan to Independent Director on 22.07.2021 in the immediate next Board Meeting after 31.05.2021 for which Stock Exchanges imposed fines against which company requested fine waiver. NSE have not considered the fine waiver request and for which Company has deposited the fines. Decision with BSE is still under consideration based on the company's written representations with reasons provided to the Stock Exchanges.*

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act *except* as mentioned above.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

I further report that during the audit period, the Company had following specific events/actions having a major bearing on the Company's affairs

During the year under review, the Company raised the funds through (i) issue of 16,50,00,000 warrants convertible into equity shares @ ₹ 3.86 each (including premium) on preferential basis to promoters/promoter entities and (ii) issue of 1,51,80,000 12% Optionally Fully Convertible Debentures @ ₹ 13.65 face value to Non- Promoter on Preferential allotment basis.

**For H. Maheshwari & Associates
Practicing Company Secretary**

Sd/-

**Hemaantt Maheshwari
Proprietor**

ACS. NO. : 26145

CP NO.: 10245

UDIN: A026145D000306216

Date: 11th May, 2022

Place: Mumbai

Note : This report is to be read with my letter of even date which is annexed as Annexure-I and forms an integral part of this report.

To,
The Members
Lloyds Steels Industries Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For H. Maheshwari & Associates
Practicing Company Secretary

Sd/-
Hemaantt Maheshwari
Proprietor
ACS. NO. : 26145
CP NO.: 10245
UDIN: A026145D000306216

Date: 11th May, 2022
Place: Mumbai

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2021-22 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2021-22 are as under:

Sr. No	Name of Director/ KMP and Designation	Remuneration of Director/KMP for Financial Year 2021-22 (in ₹)	% Increase in Remuneration in the Financial Year 2021-22	Ratio of Remuneration of each Director/ to median remuneration of employees
1.	Mr. Mukesh R. Gupta, Chairman & Whole Time Director	66,03,601	N.A.	17.74
2.	Mr. Kalpesh P. Agrawal, Chief Financial Officer	18,13,151	Nil	Not Applicable
3.	Ms. Meenakshi A. Pansari, Company Secretary	5,52,338	Nil	

Note: Except Key Managerial Personnel i.e. Whole Time Director, Chief Financial officer and Company Secretary, no other directors received any remuneration from the Company other than sitting fees for attending Board Meetings and Committee Meetings.

- (ii) The median remuneration of employees of the Company during the Financial Year was ₹ 3,72,275/-.
- (iii) The percentage increase in the median remuneration of employees in the Financial Year is 5.23 percent.
- (iv) There were 134 permanent employees on the rolls of Company as on 31st March, 2022.
- (v) The average percentile increase made in the salaries of employees other-than the Managerial Personnel in the last year was **NIL**. However, there were event-based compensation revisions/Promotions. There was no overall increase in the Managerial Remuneration compared to previous financial year.
- (vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Information as per Rule 5(2) & 5(3) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 Top 10 employees in terms of remuneration drawn during the year:

Sr. No.	Name	Designation / Nature of Duties	Age (in years)	Remuneration	Qualification	Experience (in years)	Commencement of Employment	Last Employment held	Percentage of equity shares held by the employees
1	Shree Krishna Gupta	Executive Vice President	30	1,80,90,381	BMS	7	01-01-2019	Lloyds Luxuries Ltd	NA
2	Mukesh R. Gupta*	Chairman & Whole Time Director	64	66,03,601	B. Com	40	31-05-2021	Indrajit Properties Limited	NA
3	Sudhir Kumar Dwivedi	Chief Operating Officer - Engineering Division	56	44,27,443	BE - Industrial	33	29-07-2020	ISGEC Heavy Engineering Limited	NA
4	Sameer Tawade*	Chief Operating Officer - Civil & Construction	50	34,98,902	BE - Construction	22	03-05-2021	CEO - Qualixa Turnkey Projects Pvt. Ltd.	NA
5	Saiprasad Gangishetti	Vice President - Marketing & Contracts	58	21,44,859	BE Electrical/ MBA - Marketing	33	03-07-2017	Jindal Steel Power Limited	NA

LLOYDS STEELS INDUSTRIES LIMITED

6	Shreekant Vijay Nagraj	GM- Projects & Marketing	59	20,34,595	BE Electrical	36	13-06-1994	NELCO	NA
7	Kalpesh Agrawal	Chief Financial Officer	42	18,13,151	B.Com / CA	19	01-04-2020	Lloyds Metals and Energy Limited	NA
8	Manoj Kumar Kesharwani	G.M – Projects	59	11,25,730	BE (Mech.)	35	12-11-2012	Walchand Nagar Inds. Ltd.,	NA
9	Mohan N Mohape	AGM-QA/QC	55	10,78,019	D.M.E (Mech.)	26	19-02-2017	Industrial Manufacture	NA
10	PRAMOD KSHIRSAGAR	DGM - Marketing & Contracts	53	10,42,054	BE (Mech.)	28	19-02-2020	ARC Energy WLL, Bahrain	NA

* Employed for part of the year.

Notes:

1. Details of Employees who were:

(A) Employed throughout the Financial Year under review and in receipt of remuneration for the Financial Year in the aggregate of not less than ₹ 1,02,00,000/- per annum.

Sr. No.	Name	Designation / Nature of Duties	Age (in years)	Remuneration	Qualification	Experience (in years)	Last Employment Held	Commencement of Employment	Percentage of equity shares held by the employees
1.	Mr. Shree Krishna Gupta	Executive Vice President	30	1,80,90,381	BMS	7	Lloyds Luxuries Ltd	01-01-2019	N.A

(B) Employed for part of the Financial Year under review and in receipt of remuneration at the rate of not less than ₹ 8,50,000/- per month - **None**

- There was no other employee either employed throughout the Financial Year or part thereof who was in receipt of remuneration which in the aggregate was in excess of that drawn by the Managing Director or Whole-time Director and who held by himself or alongwith his spouse or dependent children two percent or more of the Equity Shares of the Company.
- No employee is related to any of the Director of the Company except Mr. Shree Krishna Gupta who is son of Mr. Mukesh R. Gupta, Chairman and Whole Time Director.

**For and on behalf of the Board of Directors
Lloyds Steels Industries Limited**

**Date: 11th May,2022
Place: Mumbai**

**Sd/-
Mukesh R. Gupta
Chairman**

RELATED PARTY TRANSACTIONS**FORM NO. AOC-2**

**(Pursuant to clause (h) of subsection (3) of section 134 of the Act and
Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

There were no contracts or arrangements or transactions not at Arm's length basis for the year ended 31st March, 2022.

2. Details of material contracts or arrangement or transactions at arm's length basis.

Name of the party with which contract is entered	Nature	Duration	Amount (₹)	Date of Approval	Amount paid as Advance
Lloyds Metals and Energy Limited (LMEL)	Sale/Supply/ Purchase/Service Orders	As per various Sale/Supply/ Purchase/Service Orders	35,000 Lakhs	31.05.2021 and 14.10.2021	NIL
Hemdil Estates Private Limited	Leave and License Agreement	5 years	60 Lakhs	22.07.2021	NIL
Mr. Shree Krishna Gupta	Place of Profit	As per employment terms with the Company	16 Lakhs P.M.	31.05.2021	NIL
Mr. R.M. Alegavi	Technical Consultancy services	1 Year	26 Lakhs	31.05.2021	NIL
M. Ashok Tandon	Technical Consultancy services	1 Year	175 Lakhs	31.05.2021	NIL

**For and on Behalf of the Board of Directors
Lloyds Steels Industries Limited**

**Sd/-
Mukesh R. Gupta
Chairman
DIN:00028347**

Date: 11th May,2022

Place : Mumbai

LLOYDS STEELS INDUSTRIES LIMITED

INDEPENDENT AUDITORS REPORT

To the Members of **M/s. Lloyds Steels Industries Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **M/s. Lloyds Steels Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on 31st March, 2022, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

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. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements 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 financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matter. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditors Response
<u>1. Evaluation of Contingent Liabilities:</u> Refer Note 19 to the Financial Statements. Claims against the company not acknowledged as debts is disclosed in the financial statements. The existence of the payments against these claims requires management judgment to ensure disclosure of most appropriate values of contingent liabilities.	Our audit procedures include, among others, assessing the appropriateness of the management's judgment in estimating the value of claims against the company not acknowledged as debts as given in the Note 19.
<u>2. Share Warrants</u> Refer Notes 14 and 33 to the Standalone Financial Statements. During the financial year 2021-2022, the Company has issued 16,50,00,000 Share Warrants on preferential basis of ₹ 3.86/- each. Amount received on issue of share warrants has been depicted in 'Other Equity' in the Balance Sheet as at 31 st March, 2022. As the issue of Share warrants by the company during the financial year 2021-2022, has the effect of enhancing the Equity of the Company the same is considered to be a key audit matter.	We gained an understanding of the process of issue of share warrants followed by the company, to include amongst others: <ol style="list-style-type: none">1. Authorization by the Memorandum and Articles of Association of the Company;2. Passing of resolution in a validly convened and constituted Board meeting of the company.3. Passing of resolution in a validly convened and constituted general meeting of the company. Obtaining permission from the NSE/BSE Ltd. under (Listing obligations and Disclosure requirements Regulations, 2015).4. We assessed the adequacy of disclosures in the financial statements.

3. Optionally Fully Convertible Debentures

Refer Notes 15 and 33 to the Standalone Financial Statements

The company has entered into an agreement during the F.Y. 2021-22, with various option holders for the issue of 12% Optionally Fully Convertible Debenture ("OFCDs") amounting to ₹ 2,072.07 lakhs. These may be converted at the option of Debenture holder within a time frame of not exceeding 18 months from the date of allotment into one fully paid-up Equity shares of ₹ 1/- each of the Company at a price of ₹ 13.65 (including premium of ₹ 12.65) per share. The OFCDs shall carry simple interest @ 12% p.a. payable on half yearly basis commencing from 27th January 2022. A compound financial instrument is a debt instrument with an embedded conversion option into ordinary equity shares. The management has considered the above instrument as a Compound Financial Instrument which comprises two components: a financial liability and an equity instrument. Since, the actual interest rate as stipulated in the OFCD agreement is at par to the fair rate, the company has elected not to recognize the equity component of this instrument. As at 31st March 2022, the carrying value of OFCDs liability component and an equity component is ₹ 2,106.51 lakhs, based on the provisions of IND AS 32. The management has used its judgements and estimates in presentation and disclosure of the aforementioned instrument in accordance with the principles of IND AS 32, Financial Instrument: Presentation.

Our audit procedures to assess the accounting of the OFCDs included the following:

- 1) Obtained understanding of the contractual terms of the OFCD agreement.
- 2) Obtained accounting analysis of OFCDs from the management and reviewed the same in light of appropriate accounting guidance.
- 3) Performed audit procedures on valuation inputs and accounting entries of the transaction as per IND AS 109.
- 4) Assessing the appropriateness of the presentation as per IND AS 32 of the financial instruments.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Corporate Governance Report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013

("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

LLOYDS STEELS INDUSTRIES LIMITED

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

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

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 financial statements, 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to 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 financial statements, including the disclosures, and

whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Company has no branch office and hence the company is not required to conduct audit under section 143 (8) of the Act;
 - d. The Balance Sheet, the Statement of Profit and Loss, the Cash flow statement dealt with by this Report are in agreement with the books of account;
 - e. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (As amended);
 - f. On the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the

directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

- g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over financial Reporting;
- h. In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and
- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us (As amended):
 - i. The Company has disclosed the pending litigations which may impact its financial position in Note 19 of the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. During the year, no amounts were required to be transferred to the Investor Education and Protection Fund by the Company. So, the question of delay in transferring such sums does not arise.
 - iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts to the standalone Ind AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including

foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (a) and (b) contain any material misstatement.; and
- v. The Company has not declared or paid any dividend during the year.

For **TODARWAL & TODARWAL LLP**
Chartered Accountants
Firm Reg. no.: W100231

Sd/-
Kunal S. Tadarwal
Partner
M.No.: 137804
UDIN: 22137804AMIGTB8991

Dated: 11th May 2022
Place: Mumbai

LLOYDS STEELS INDUSTRIES LIMITED

Annexure - A to Independent Auditor's Report

The 'Annexure A' referred to in Independent Auditor's Report to the Members of the Company on the Financial Statements for the year ended 31st March 2022, we report that:

- i. a) A. According to the information and explanation given to us and based on the records produced before us, we are of the opinion that the Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
B. The Company is maintaining proper records showing full particulars of Intangible Assets.
- b) According to the information and explanation given to us, fixed assets were physically verified by the management according to a designed to cover all the locations which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the programme, the management during the year physically verified the fixed assets at certain locations and no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except in the case of following property: -

Description of property	Gross carrying value (₹ in Lakhs)	Held in name of	Whether promoter, director or or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company *also indicate if in dispute
Flat at Rooprekha Co-op. Housing Society Limited	5.15	Lloyds Steel Industries Limited	NO	01 st April, 2014	The company has received the property due to demerger order passed by the Bombay High Court

- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
- e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. a) According to the information and explanation given to us Inventory has been physically verified by the management during the year. No material discrepancies were noticed that would have an impact over the Financial Statements.
- b) According to the information and explanation given to us and based on the records produced before us, the company has not sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the

Company, the Company has not made any investments, provided guarantee or security to companies, firms, limited liability partnerships or any other parties during the year. Although the Company has granted loans to parties during the year, details of the loans are stated in sub-clause (a) below.

- a) A. The Company does not have any subsidiaries, joint ventures or associates. Hence clause (iii) (a) of paragraph 3 is not applicable.
B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans to parties other than subsidiaries, Joint Ventures and Associates as below:

Particulars	Amount (₹ in lakhs)
Aggregate Amount of Loan provided During the year - Others	2,349.89
Balance Outstanding as on 31 st March 2022 in respect of the above - Others	2,500.00

- b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are, prima facie, not prejudicial to the interest of the Company.

- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the schedule of repayment of principal and payment of interest has been stipulated by the Company.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given during the year.
- e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the over dues of existing loans given to the same party.
- f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given loans which are repayable on demand or without specifying any terms or period of repayment.
- iv. In our opinion and according to information and explanation given to us, the company has, in respect of loans, investments, guarantees, and security provisions, complied with section 185 and 186 of the Companies Act, 2013.
- v. According to the information and explanation given to us, the company has not accepted any deposits, whether the directives issued by the Reserve Bank of India, and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013. Hence the provisions of clause 3(v) are not applicable to the company.
- vi. Pursuant to the rules made by the Central Government, the maintenance of Cost Records has been prescribed u/s. 148(1) of the Companies Act, 2013. We are of the view that prima facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. A) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities were not in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.
- B) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes, except for the following:

Name of Statute	Nature of Dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	1,134.02	AY 15-16	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	10.06	AY 16-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	2.20	AY 19-20	Commissioner of Income Tax (Appeals)

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- ix. a) According to the information and explanation given to us and based on the records produced before us, the company has not defaulted in repayments of dues to financial institutions and banks.
- b) According to the information and explanation given to us, the company is not declared as a willful defaulter by any Bank or Financial Institution or other lender.
- c) In our opinion and according to information and explanation given to us, the company does not have term loans. Hence clause (ix)(c) of paragraph 3 is not applicable.
- d) According to the information and explanation given to us, the company has not raised funds for short term basis. Hence clause (ix)(d) of paragraph 3 is not applicable.
- e) According to the information and explanation given to us, the Company does not have any subsidiaries, joint ventures or associates. Hence clause (ix)(e) and (f) of paragraph 3 is not applicable.

LLOYDS STEELS INDUSTRIES LIMITED

- x. a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has complied with the requirements of section 42 and section 62 of the Companies Act, 2013 for preferential allotment of shares and optionally convertible debentures and the funds raised have been used for the purposes for which the funds were raised.
- xi. a) During the course of our examination of the books of account carried in accordance with the generally accepted auditing standards in India, we have neither come across any instance of fraud on or by the Company, either noticed or reported during the year, nor have we been informed of such case by the Management.
- b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) No whistle blower complaints were received by the Company during the year. Therefore, clause xi(c) of paragraph 3 is not applicable.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- xiv. a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors.
- xvi. a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In our opinion and according to the information and explanations given to us, the company is not responsible to spend under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For TODARWAL & TODARWAL LLP
Chartered Accountants
Firm Reg. no.: W100231

Sd/-
Kunal S. Todarwal
Partner
M.No.: 137804
UDIN: 22137804AMIGTB8991

Date: 11th May, 2022
Place: Mumbai

Annexure – B to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of M/s Lloyds Steels Industries Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records reflecting in the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For TODARWAL & TODARWAL LLP

Chartered Accountants

Firm Reg. no.: W100231

Sd/-

Kunal S. Tadarwal

Partner

M.No.: 137804

UDIN: 22137804AMIGTB8991

Date: 11th May, 2022

Place: Mumbai

LLOYDS STEELS INDUSTRIES LIMITED

LLOYDS STEELS INDUSTRIES LIMITED BALANCE SHEET

(₹ in Lakhs)

Particulars	Note No.	As At 31 st March, 2022	As At 31 st March, 2021
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	4	922.81	922.93
(b) Capital Work In Progress	4	373.62	--
(c) Goodwill		95.98	95.98
(d) Right To Use	5	376.38	385.24
(e) Financial Assets			
(i) Other Financial Assets	6	60.42	25.98
(f) Deferred Tax Assets (Net)	8 (i)	364.41	767.88
(g) Other Non-current Assets	9 (I)	750.52	0.43
Sub Total Non-Current Assets		2,944.14	2,198.44
Current Assets			
(a) Inventories	10	4,885.07	1,876.54
(b) Financial Assets			
(i) Trade Receivables	11	982.59	882.75
(ii) Cash and Cash Equivalent	12	2,459.40	1,828.89
(iii) Loans	7 (I)	2,875.00	2,625.50
(iv) Other Current Financial Assets	7 (II)	403.95	261.89
(c) Current Tax Assets (Net)		190.94	482.29
(d) Other Current Assets	9 (II)	4,671.56	4,988.63
Sub Total Current Assets		16,468.51	12,946.49
TOTAL ASSETS		19,412.65	15,144.93
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	13	8,986.98	8,986.98
(b) Other Equity	14	4,536.95	2,357.53
Total Equity		13,523.93	11,344.51
LIABILITIES			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15 (I)	1,886.01	56.45
(ia) Lease Liabilities	5	375.29	375.98
(b) Provisions	16 (I)	417.95	363.11
Sub Total Non Current Liabilities		2,679.25	795.54
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		--	--
(ia) Lease Liabilities		36.36	17.99
(ii) Trade Payables			
- Total Outstanding dues of Micro & Small Enterprises		--	--
- Total Outstanding dues of Other Than Micro & Small Enterprises	17	778.96	721.10
(iii) Others	15 (II)	477.75	245.96
(b) Provisions	16 (II)	85.92	144.18
(c) Other Current Liabilities	18	1,830.48	1,875.65
Sub Total Current Liabilities		3,209.47	3,004.88
Total Liabilities		5,888.72	3,800.42
TOTAL EQUITY AND LIABILITIES		19,412.65	15,144.93

The accompanying notes 1 to 34 form an integral part of these financial statements

As per our report of even date
For **Todarwal & Todarwal LLP**
Chartered Accountants
ICAI Firm Reg. No. W100231

For and on behalf of the Board of Directors

Sd/-
Kunal S. Todarwal
Partner
Membership No.: 137804
UDIN: 22137804AMIGTB8991

Sd/-
Mukesh R. Gupta
Chairman
DIN: 00028347

Sd/-
S. N. Singh
Independent Director
DIN: 00398484

Place: Mumbai
Date: 11th May, 2022

Sd/-
Kalpesh P. Agrawal
Chief Financial Officer

Sd/-
Meenakshi A. Pansari
Company Secretary
ACS - 53927

LLOYDS STEELS INDUSTRIES LIMITED
STATEMENT OF PROFIT AND LOSS

(₹ in Lakhs)

Particulars	Note No.	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
INCOME			
Revenue from Operations	20	5,009.66	7,005.09
Other Income	21	975.07	1,309.37
Total Income		5,984.73	8,314.46
Expenses			
Cost of Raw Material Consumed	22	3,843.73	3,982.30
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	23	(2,748.27)	250.21
Employee Benefits Expense	24	1,380.95	1,258.33
Manufacturing and Other Expenses	25	2,061.95	2,517.76
Finance Costs	26	101.90	76.81
Depreciation and Amortization Expense	27	133.72	159.49
Total Expenses		4,773.98	8,244.90
Profit before Exceptional Items and Tax		1,210.75	69.56
Exceptional Items			--
Profit Before Tax		1,210.75	69.56
Tax Expense:			
(1) Current Tax			--
(2) Deferred Tax Expenses / (Income)	8(ii)	403.63	19.19
(3) Mat Credit Tax Reversals		212.40	--
Total Tax Expenses		616.03	19.19
Profit for the period		594.72	50.37
Other Comprehensive Income			
Items not to be reclassified to profit or loss			
Re-measurement (losses)/gains on defined benefit plans	24	(0.59)	75.91
Income Tax Credit/ (expenses)	8(ii)	0.15	(21.12)
Other Comprehensive Income for the year		(0.44)	54.79
Total Comprehensive (loss) / gain for the year		594.28	105.16
Earnings per share (In ₹) (Face value ₹ 1/- each)			
EPS – Basic (In ₹)	28	0.07	0.01
EPS – Diluted (In ₹)		0.06	0.01

The accompanying notes 1 to 34 form an integral part of these financial statements

As per our report of even date

For Todarwal & Todarwal LLP
Chartered Accountants
ICAI Firm Reg. No. W100231
For and on behalf of the Board of Directors
Sd/-
Kunal S. Todarwal
Partner
Membership No.: 137804
UDIN: 22137804AMIGTB8991
Sd/-
Mukesh R. Gupta
Chairman
DIN: 00028347
Sd/-
S. N. Singh
Independent Director
DIN: 00398484
Place: Mumbai
Date: 11th May, 2022
Sd/-
Kalpesh P. Agrawal
Chief Financial Officer
Sd/-
Meenakshi A. Pansari
Company Secretary
ACS - 53927

LLOYDS STEELS INDUSTRIES LIMITED

LLOYDS STEELS INDUSTRIES LIMITED

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

A. Equity Share Capital

(₹ in Lakhs)

Balance as at 1 st April 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 st April, 2021	Changes in equity share capital during the current year	Balance as at 31 st March, 2022
8,986.98	-	8,986.98	-	8,986.98

(₹ in Lakhs)

Balance as at 1 st April 2020	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 st April, 2020	Changes in equity share capital during the current year	Balance as at 31 st March, 2021
8,986.98	-	8,986.98	-	8,986.98

B. Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus		Money received against Share Warrants	Total Equity
	Capital Reserve	Retained Earnings		
As at 1 st April, 2021	5.00	2,352.53	-	2,357.53
Profit for the year	-	594.72	-	594.72
Other Comprehensive Income (Net of Tax)	-	(0.44)	-	(0.44)
Total Comprehensive Income	-	594.28	-	594.28
Money received against Share Warrants	-	-	1,592.25	1,592.25
Expenses For Share Warrant	-	-	(7.11)	(7.11)
As at 31st March, 2022	5.00	2,946.81	1,585.14	4,536.95

(₹ in Lakhs)

Particulars	Reserves and Surplus		Money received against Share Warrants	Total Equity
	Capital Reserve	Retained Earnings		
As at 1 st April, 2020	5.00	2,247.37	-	2,252.37
Profit for the year	-	50.37	-	50.37
Other Comprehensive Income (Net of Tax)	-	54.79	-	54.79
Total Comprehensive Income	-	105.16	-	105.16
Money received against Share Warrants	-	-	-	-
Expenses For Share Warrant	-	-	-	-
As at 31st March, 2021	5.00	2,352.53	-	2,357.53

Loss of ₹ 0.44 Lakhs and Gain of ₹ 54.79 Lakhs on Remeasurement of defined employee benefit plan (net of tax) is recognised as a part of retained earnings for the years ended March 31, 2022 and 2021, respectively.

The Board of Directors of the Company at its meeting held on 22nd November 2021 has made an allotment of 16,50,00,000 Convertible Warrants of Face Value of ₹ 1/- each at a premium of ₹ 2.86 to Promoter/ Promoter Group, on preferential allotment basis. Company has received 25% of the Issue of price amounting to ₹ 1,592.25 lakhs.

LLOYDS STEELS INDUSTRIES LIMITED**STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)****Nature and purpose of reserves****a) Capital Reserve**

The Company recognises profit and loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

b) Retained earnings

This reserve represents undistributed accumulated earnings of the Company as on the balance sheet date.

The accompanying notes 1 to 34 form an integral part of these financial statements.

As per our report of even date

For Todarwal & Todarwal LLP

Chartered Accountants

ICAI Firm Reg. No. W100231

For and on behalf of the Board of Directors

Sd/-

Kunal S. Todarwal

Partner

Membership No.: 137804

UDIN: 22137804AMIGTB8991

Sd/-

Mukesh R. Gupta

Chairman

DIN: 00028347

Sd/-

S. N. Singh

Independent Director

DIN: 00398484

Place: Mumbai

Date: 11th May, 2022

Sd/-

Kalpesh P. Agrawal
Chief Financial Officer

Sd/-

Meenakshi A. Pansari
Company Secretary
ACS - 53927

LLOYDS STEELS INDUSTRIES LIMITED

LLOYDS STEELS INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

Sr. No.	Particulars	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
A	CASH FLOW FROM OPERATING ACTIVITIES :		
	Profit Before Tax	1,210.75	69.56
	Adjustments For:		
	Depreciation and Amortization Expenses	84.41	97.38
	Loss on sale of Property, Plant & Equipment (Net)	0.40	-
	Re-measurements of the defined benefit liabilities (before tax effects)	(0.59)	75.91
	Interest Income	(235.39)	(167.45)
	Interest Expenses	50.73	10.48
	Unrealized Foreign Exchange (Gain) / Loss (Net)	4.92	6.57
	Operating Profit/(Loss) Before Working Capital Changes	1,115.23	92.45
	Movements in Working Capital		
	Decrease / (Increase) in Inventories	(3,008.53)	276.26
	Decrease / (Increase) in Trade Receivables	(99.84)	1,584.81
	Decrease / (Increase) in Other Current Assets	317.07	199.66
	Decrease / (Increase) in Other Non-Current Assets	--	1.60
	Decrease / (Increase) Other Financial Assets – Non Current Portion	(34.44)	1.54
	Decrease / (Increase) Other Financial Assets – Current Portion	(170.55)	19.74
	Decrease / (Increase) Other Bank Balances	77.00	378.12
	Increase / (Decrease) in Trade Payables	52.71	(872.76)
	Increase / (Decrease) in Other Current Liabilities	(45.18)	260.66
	Increase / (Decrease) Provision, Current Portion	(58.26)	(125.95)
	Increase / (Decrease) Provision, Non-Current Portion	54.84	4.99
	Increase / (Decrease) Other Financial Liabilities, Current Portion	(14.67)	(58.39)
	Increase / (Decrease) Other Financial Liabilities, Non-Current Portion	26.53	(0.73)
	Cash Generated From /(Used In) Operation	(1,788.09)	1,762.00
	Direct Taxes (Paid) Net of Refunds	78.96	(7.94)
	Net Cash Generated From /(Used In) Operating Activities (A)	(1,709.13)	1,754.06
B	CASH FLOW FROM INVESTING ACTIVITIES :		
	Payment towards Capital Expenditure (including Intangible Assets)	(1,208.17)	(13.69)
	Proceeds from Sale of Property, Plant & Equipment	--	--
	Inter Corporate Deposits (Given) Refunded	(249.50)	(1,825.50)
	Interest Received	263.87	162.95
	Net Cash Generated From (Used In) Investing Activities (B)	(1,193.80)	(1,676.24)

LLOYDS STEELS INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

(₹ in Lakhs)

Sr. No.	Particulars	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
C	CASH FLOW FROM FINANCING ACTIVITIES :		
	Repayment of Long Term Borrowings	(30.18)	(20.52)
	Proceeds from Long Term Borrowings	--	--
	Proceeds from Issue of OFCD	2,072.07	--
	Expenses for Issue of OFCD	(4.80)	--
	Proceeds from issue of Share Warrant	1,592.25	--
	Expenses for Issue of Share Warrants	(7.11)	--
	Interest Paid	(11.79)	(10.63)
	Net Cash Generated From /(Used In) Financing Activities (C)	3,610.44	(31.15)
	Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)	707.51	46.67
	Cash and Cash Equivalents at the Beginning of the Period	469.48	422.81
	Cash and Cash Equivalents at the End of the Period	1,176.99	469.48
	Net increase/(decrease) in Cash and Cash Equivalents	707.51	46.67
	Components of Cash and Cash Equivalents		
	Cash in Hand	2.02	4.27
	Balance with Bank		
	Balance with Schedule Banks in : Current Accounts	1,174.97	465.21
	In Margin Account (Including FDR)	1,282.41	1,359.41
	Cash and Bank Balances as per Note 12	2,459.40	1,828.89
	Less: Margin Money not considered as Cash and Cash Equivalent in Cash Flow	1,282.41	1,359.41
	Total Cash and Cash Equivalents	1,176.99	469.48

The accompanying notes 1 to 34 form an integral part of these financial statements.

Notes :

1. Cash Flow statement has been prepared following the indirect method except in case of dividend paid/received and taxes paid which have been considered on the basis of actual movements of cash.
2. Cash and cash equivalents represent cash and bank balances including current account, if any.
3. Previous year's figures have been regrouped/reclassified wherever applicable.
4. Figures in brackets represent outflows.

As per our report of even date
For Todarwal & Todarwal LLP
Chartered Accountants
ICAI Firm Reg. No. W100231

For and on behalf of the Board of Directors

Sd/-
Kunal S. Todarwal
Partner
Membership No.: 137804
UDIN: 22137804AMIGTB8991

Sd/-
Mukesh R. Gupta
Chairman
DIN: 00028347

Sd/-
S. N. Singh
Independent Director
DIN: 00398484

Place: Mumbai
Date: 11th May, 2022

Sd/-
Kalpesh P. Agrawal
Chief Financial Officer

Sd/-
Meenakshi A. Pansari
Company Secretary
ACS - 53927

LLOYDS STEELS INDUSTRIES LIMITED

Notes to Financial Statements

(All amounts are in Lakhs of Indian Rupees; unless stated otherwise)

1. Corporate Information

Lloyds Steels Industries Limited ('the Company') is domiciled and incorporated in India as a Limited Liability Company with its shares listed on the National Stock Exchange and the Bombay Stock Exchange. The Registered Office of the Company is situated at Plot No. A - 5/5, MIDC Industrial Area, Murbad, Thane - 421 401. The Company is principally engaged in Design, Engineering, Manufacturing, Fabrication, Supply, Erection and Commissioning of all types of Mechanical, Hydraulic, Structural, Process Plants, Metallurgical, Chemical Plants Equipments including Marine Loading/Unloading Arms, Truck/Wagon Loading/Unloading Arms, Columns, Pressure Vessels, Dryers, Boilers, Power Plant, Steel Plant Equipments, Capital Equipments and execution of Turnkey and EPC Projects.

2. Summary of Significant Accounting Policies

2.1 Basis of Preparation

This financial statement has been prepared to comply in all material respects with the Indian Accounting Standard ('Ind AS') notified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules as amended from time to time. In addition, the Guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations requires a different treatment.

Presentation of Financial Statements

The Balance Sheet and the Statement of Profit & Loss are prepared and presented in the format set out in Schedule III to the Companies Act, 2013 ("the Act"). The Cashflows Statement has been prepared and presented as per the requirements of Indian Accounting Standards (IND AS - 7) "Statement of Cashflows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit & Loss as prescribed in the schedule III to the Act, are presented by way of notes forming parts of accounts along with the other notes required to be disclosed under the notified Indian Accounting Standards and the Equity Listing Agreement. Amounts in the financial statement are presented in Indian rupees in Lakhs.

The financial statements are authorized for issue by the Company's Board of Directors at their meeting held on **11th May, 2022**.

The preparation of the said financial statements requires the use of certain critical accounting estimates and judgments. It also requires the management to exercise judgment in the process of applying the Company's accounting policies. The areas where estimates are

significant to the financial statements, or areas involving a higher degree of judgment or complexity, are disclosed in Note 3.

The financial statements are based on the classification provisions contained in Ind-AS 1, 'Presentation of Financial Statements' and division II of schedule III of the Companies Act 2013 along with the other notes required to be disclosed under the notified Indian Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, for the purpose of clarity, various items are aggregated in the statement of profit and loss and balance sheet. Nonetheless, these items are dis-aggregated separately in the notes to the financial statements, where applicable or required.

The Company accrues individual items of income / expenses above ₹ 10,000/- per item.

All the amounts included in the financial statements are reported in Lakhs of Indian Rupees (₹) and are rounded to the nearest Lakhs, except per share data and unless stated otherwise.

2.2 Basis of Measurement

The financial statements have been prepared on the accrual and going concern basis and the historical cost convention except where the Ind -AS requires a different accounting treatment. Historical cost is generally based on fair value of the consideration given in exchange of Goods & Services.

Fair Value Measurement

Fair value is the price at the measurement date, at which an asset can be sold or paid to transfer a liability, in an orderly transaction between market participants. The Company wherever required has measured the Financial / non – Financial Assets and Liabilities at fair value in the Financial Statement.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

2.3 Foreign Currency Transactions

The financial statements are presented in Indian Rupees which is the functional and presentation currency of the Company.

Transactions in foreign currencies are initially recorded in the relevant functional currency at the rates prevailing at the date of the transaction.

Monetary Assets and Liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date with the resulting foreign exchange differences. On subsequent re-statement/settlement, the same is

recognised in the statement of profit and loss within finance costs / finance income. Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevalent, at the date of initial recognition (in case they are measured at historical cost) or at the date when the fair value is determined (in case they are measured at fair value). The resulting foreign exchange difference, on subsequent re-statement / settlement is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity.

The equity items denominated in foreign currencies are translated at historical cost.

2.4 Current Versus Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification.

Deferred Tax Assets and Liabilities and all assets and liabilities which are not current (as discussed in the below paragraphs) are classified as non-current assets and liabilities.

Operating cycle for the business activities of the company covers the duration of the specific project/contract/ product line/service including the defect liability period wherever applicable and extends up to the realisation of receivables (including retention monies) within the agreed credit period as the case may be. An asset is classified as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

2.5 Property, Plant and Equipment ('PPE')

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), and any directly attributable cost of bringing the asset to its working condition and location for its intended use.

Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts of Property, Plant and

Equipment are required to be replaced in regular intervals, the Company recognises such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is de-recognised from the balance sheet and cost of the new item of PPE is recognised.

The expenditures that are incurred after the item of PPE has been put to use, such as repairs and maintenance, are normally charged to the statement of profit and loss in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably and is probable that future economic benefits associated with it will flow to the Company, it is included in the asset's carrying value or as a separate asset as appropriate.

Depreciation on PPE is computed using the straightline method over the estimated useful lives. Depreciation is provided as per useful life of the assets as prescribed in schedule II of the Companies Act. The Company has established the estimated range of useful lives of different categories of PPE as follows:

Particulars	Useful life (in years)
Factory Building	30 – 60
Plant & Machinery	15
Computers	3 – 6
Electrical Installations	10
Office Equipments and AC	5 – 8
Furniture and Fixtures	10
Motor Vehicles	8 – 10

The useful lives, residual values and depreciation method of PPE are reviewed and adjusted appropriately, at-least as at each reporting date so as to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets. The effects of any change in the estimated useful lives, residual values and/ or depreciation method are accounted prospectively, and accordingly the depreciation is calculated over the PPE's remaining revised useful life. The cost and the accumulated depreciation for PPE sold, scrapped, retired or otherwise disposed off are derecognised from the balance sheet and the resulting gains/ (losses) are included in the statement of profit and loss within Other Income.

Assets individually costing ₹ 10,000/- or less are depreciated fully in the year of purchase.

All expenditure and interest cost during the project construction period are accumulated and shown as Capital Work - in - Progress until the project/assets are put to use. Assets under construction are not depreciated. Expenditure/income during pre-operative/construction period is included in Capital Work - in - Progress.

LLOYDS STEELS INDUSTRIES LIMITED

2.6 Intangible Assets

Identifiable intangible assets are generally recognised when the Company controls the asset and it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be measured reliably. The intangible assets are initially recognised at cost. Assets having finite useful life are carried at cost less accumulated amortisation and impairment losses, if any.

2.7 Impairment of Non-Financial Assets - PPE

PPE and intangible assets with definite lives are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. For the purpose of impairment testing, the recoverable amount (that is, higher of the fair value less costs to sell and the value-in-use) is determined on an individual asset basis, unless the asset does not generate cash flows that are largely independent of those from other assets, in which case the recoverable amount is determined at the cash-generating-unit ('CGU') level to which the said asset belongs. If such individual assets or CGU are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the asset/CGU exceeds their estimated recoverable amount and allocated on pro rata basis.

Impairment losses, if any, are recognised in statement of profit and loss.

Reversal of Impairment Losses

Impairment losses are reversed and the carrying value is increased to its revised recoverable amount provided that this amount does not exceed the carrying value that would have been determined had no impairment loss been recognised for the said asset in previous years.

2.8 Leases:

The Leases of Property, Plant and Equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases are charged to Statement

of profit and loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

In March 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2019, notifying Ind AS 116 - 'Leases'. This standard is effective from 1st April, 2019. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Ind AS 116 - Leases amends the rules for the lessee's accounting treatment of operating leases. According to the standard all operating leases (with a few exceptions) must therefore be recognized in the balance sheet as lease assets and corresponding lease liabilities. The lease expenses, which were recognised as a single amount (operating expenses), will consist of two elements: depreciation and interest expenses. The standard has become effective from 2019 and the Company has assessed the impact of application of Ind AS 116 on Company's financial statements and provided necessary treatments and disclosures as required by the standard. (Refer Note No 5).

2.9 Financial Instruments

a. Recognition, Classification and Presentation

The financial instruments are recognised in the balance sheet when the Company becomes a party to the contractual provisions of the financial instrument.

The Company determines the classification of its financial instruments at initial recognition except for Trade Receivables which are initially measured at transaction price.

The Company wherever necessary classifies its financial assets in the following categories: a) those to be measured subsequently at fair value either through other comprehensive income or profit or loss (FVTPL) and b) those to be measured at amortised cost. The classification depends on the business model for managing the financial assets and the contractual terms of the cash flows.

The Company has classified all the non-derivative financial liabilities measured at amortised cost.

Financial assets and liabilities arising from different transactions are set off against each other on case to case basis if and when the company has reason to believe, that the Company has a right to set-off the related recognised amounts in terms of a contract or arrangement and the resultant net amount is presented in the balance sheet.

b. Measurement of Financial Instruments**I. Initial Measurement**

All financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities which are not at fair value are adjusted to the fair value on initial recognition. Otherwise, the transaction costs are expensed in the statement of profit and loss.

II. Subsequent Measurement - Financial Assets

The subsequent measurement of the non-derivative financial assets depends on their classification as follows:

i. Financial Assets Measured at Amortised Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. However, where the impact of discounting / transaction costs is significant, the amortised cost is measured using the effective interest rate ('EIR') method. Interest income from these financial assets is included in Other Income.

ii. Fair Value through Other Comprehensive Income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, the same are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

iii. Fair Value through Profit or Loss

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss and presented net in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

Impairment

The impairment of assets depends on whether there has been a significant increase in the credit risks since initial recognition. Accordingly, the Company deals with providing for impairment of loss. In case of trade receivables, the Company applies the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

III Subsequent Measurement - Financial Liabilities

Financial liabilities are subsequently measured at amortised cost using the EIR method (if the impact of discounting/any transaction costs is significant).

c. De-Recognition

The financial liabilities are derecognised from the balance sheet when the underlying obligations are extinguished, discharged, lapsed, cancelled, expired or legally released. The financial assets are derecognised from the balance sheet when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. The difference in the carrying amount is recognised in the statement of profit and loss.

2.10 Taxes

The income tax expense comprises of current and deferred income tax. Income tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity, in which case the related income tax is also recognised accordingly.

a. Current Tax

The current tax is calculated on the basis of the tax rates, laws and regulations, which have been enacted or substantively enacted as at the reporting date. The payment made in excess/ (shortfall) of the Company's income tax obligation for the period are recognised in the balance sheet as current income tax assets/liabilities.

Any interest, related to accrued liabilities for potential tax assessments are not included in Income tax charge or (credit), but are rather recognised within finance costs.

b. Deferred Tax

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. However, deferred tax are not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available

LLOYDS STEELS INDUSTRIES LIMITED

against which the temporary differences can be utilised. However, if these are unabsorbed depreciation, carry forward losses and items relating to capital losses, deferred tax assets are recognised when there is reasonable certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets in respect of unutilized tax credits which mainly relate to minimum alternate tax are recognised to the extent it is probable that such unutilized tax credits will get realised.

The unrecognised deferred tax assets/carrying amount of deferred tax assets are reviewed at each reporting date for recoverability and adjusted appropriately. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the balance sheet, if and only when, (a) the Company currently has a right to set-off the current income tax assets and liabilities, and (b) when it relate to income tax levied by the same taxation authority and where there is an intention to settle the current income tax balances on net basis.

2.11 Inventories

Inventories are stated at the lower of cost (determined using weighted average cost method) and net realisable value. The costs comprise its purchase price and any directly attributable cost of bringing to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated variable costs necessary to make the sale.

Following are general practice adopted by the company for valuation of Inventory.

Sr. No.	Type of Inventory	Valuation methodology
1	Raw Materials	*At lower of cost and net realizable value.
2	Stores and Spares	At cost.
3	Work-in-process/Semi-Finished Goods	At cost.
4	Engineering Plant Finished Goods	At lower of cost and Market Value
5	Finished Goods/Traded Goods	At lower of cost and Market Value
6	Scrap Material	At Net Realisable Value
7	Tools and Equipments	At lower of cost and disposable value

*Material and other supplies held for use in the production of the inventories are not written down below cost if the

finished goods in which they will be incorporated are expected to be sold at or above cost.

2.12 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, bank balances and fixed deposits including deposits towards margin money.

2.13 Share Capital

The Company has only one class of shares i.e. Equity Shares having par value of ₹ 1/- each per equity share. The dividend and repayment of capital are at the sole and absolute discretion of the Company and there is no contractual obligation whatsoever to that effect.

2.14 Employee Benefits

The Company's employee benefits mainly include wages, salaries, bonus, defined benefit plans, compensated absences. The employee benefits are recognised in the year in which the associated services are rendered by the Company employees.

a. Short Term Employee Benefits

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus, ex-gratia and performance-linked rewards falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service.

b. Post Employment Benefits – Gratuity

The Company operates one defined benefit plan, viz., Gratuity benefit, for its employees. The Gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service. The Company does not have any fund for gratuity liability and the same is accounted for as provision.

The Company provides for the liability towards the said plans on the basis of actuarial valuation carried out yearly as at the reporting date, by an independent qualified actuary using the projected unit- credit method.

The obligation towards the said benefits is recognised in the balance sheet, at the present value of the defined benefit obligations. The present value of the said obligation is determined by discounting the estimated future cash outflows.

The interest expense is calculated by applying the above mentioned discount rate to the defined benefit obligations liability. The interest expense on the defined benefit liability is recognised in the statement of profit and loss. However, the related re-measurements of the defined benefit liability is recognised directly in the other comprehensive income in the period in which it arises. The said re-measurements comprise of actuarial gains

and losses (arising from experience adjustments and changes in actuarial assumptions). Re-measurements are not re-classified to the statement of profit and loss in any of the subsequent periods.

c. Other Employee Benefits – Leave Encashment

Under the other long term employee benefit plan, the company extends benefit of compensated absences to the employees, whereby they are eligible to carry forward their entitlement of earned leave for encashment upon retirement/ separation or during tenure of service. The Plan is not funded by the Company.

The Company provides for the liability towards the said benefit on the basis of actuarial valuation carried out yearly as at the reporting date, by an independent qualified actuary using the projected unit- credit method. The related re-measurements are recognised in the statement of profit and loss in the period in which they arise.

2.15 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the said obligation and the amounts of the said obligation can be reliably estimated.

2.16 Amortisation of Expenses

Deferred Revenue Expenditure is amortised over a period of five years.

2.17 Contingencies

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are disclosed where an inflow of economic benefits is probable.

2.18 Revenue Recognition

Revenue is recognised based on nature of activity when consideration can be reasonably measured and recovered with reasonable certainty. Revenue is measured at the fair value of the consideration received or receivable and is reduced for estimated customer returns, rebates and other similar allowances.

a. Revenue From Operations

i. Sale of Goods

Revenue from the sale of manufactured and traded goods is recognised when significant risks and rewards of ownership of goods have been transferred, effective control over the goods no longer exists with the Company, amount of revenue

/ costs in respect of the transactions can reliably be measured and probable economic benefits associated with the transactions will flow to the Company.

ii. Rendering of Services

Revenue in case of contracts/orders spreading over more than one financial year are booked to the extent of work billed. Sales include export benefits & net of sales return. Export benefits accrue on the date of export, which are utilized for custom duty free import of material/ transferred for consideration.

iii. In case of unbilled work, Revenue is recognised when significant portion of the work exceeding 75% is completed. Till such time the unbilled work is carried at cost in Work-In-Progress.

b. Other Revenue

1) Customs Duty

Customs Duty/incentive entitlement as and when eligible is accounted on accrual basis. Accordingly, import duty benefits against exports effected during the year are accounted on estimate basis as incentive till the end of the year in respect of duty free imports of raw material yet to be made.

2) Interest Income

Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate.

3) Other Income/Miscellaneous Income

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

2.19 Borrowing Costs

Borrowing costs consist of interest and other ancillary costs that the Company incurs in connection with the borrowing of funds. The borrowing costs directly attributable to the acquisition or construction of any asset that takes a substantial period of time to get ready for its intended use or sale are capitalised. All the other borrowing costs are recognised in the statement of profit and loss within finance costs of the period in which they are incurred.

2.20 Earnings Per Share ('EPS')

The Company presents the Basic and Diluted EPS data. Basic & Diluted EPS is computed by dividing the profit for the period attributable to the shareholders of the Company by the weighted average number of shares outstanding during the period.

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2.21 Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the net profit for the effects of:

- changes during the period in inventories and operating receivables/payables transactions of a non-cash nature;
- non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses and undistributed profits of associates; and
- All other items for which the cash effects are investing or financing cash flows.

3. Critical Judgements and Estimation in applying the Company's Accounting Policies

The estimates and judgements used in the preparation of the financial statements are based on historical experience and various other assumptions and factors (including expectations of future events), that the Company believes to be reasonable under the existing circumstances. The said estimates and judgements are

based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of Property, Plant and Equipment, Intangible Assets, allowance for doubtful debts/ advances, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, provision for rectification costs, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

The areas involving critical estimates and judgements are:

- Estimation of current tax expenses and payable.
- Recognition of deferred tax assets for carried forward tax losses - Refer Note No. 8
- Revenue Recognition - Refer Note No. 20
- Estimation of defined benefit obligation – Refer Note No. 24

4. Property, Plant and Equipment (PPE)

(₹ in Lakhs)

Particulars	Land	Building	Plant & Machinery	Computers	Electrical Installations	Office Equipments	Furniture & Fixtures	Motor Vehicles	Total
Cost as at April 1, 2021	146.66	812.39	3,290.79	182.76	146.93	89.29	256.21	273.48	5,198.51
Additions	-	12.41	61.89	7.62	-	1.68	1.11	-	84.71
Disposals	-	-	8.02	-	-	-	-	-	8.02
Cost as at March 31, 2022	146.66	824.80	3,344.66	190.38	146.93	90.97	257.32	273.48	5,275.20
Accumulated Depreciation as on April 1, 2021	-	552.76	3,004.36	171.91	135.23	80.57	195.75	135.00	4,275.58
Depreciations	-	20.08	24.39	3.05	1.84	1.30	9.37	24.38	84.41
Disposals	-	-	7.60	-	-	-	-	-	7.60
Accumulated Depreciation as on March 31, 2022	-	572.84	3,021.15	174.96	137.07	81.87	205.12	159.38	4,352.39
Net Carrying Cost as at March 31, 2022	146.66	251.96	323.51	15.42	9.86	9.10	52.20	114.10	922.81
Capital Work in Progress									373.62
Total									1,296.43

(₹ in Lakhs)

Particulars	Land	Building	Plant & Machinery	Computers	Electrical Installations	Office Equipments	Furniture & Fixtures	Motor Vehicles	Total
Cost as at April 1, 2020	146.66	812.39	3,286.45	178.79	146.93	85.63	254.49	273.48	5,184.82
Additions	-	-	4.34	3.97	-	3.66	1.72	-	13.69
Disposals	-	-	-	-	-	-	-	-	-
Cost as at March 31, 2021	146.66	812.39	3,290.79	182.76	146.93	89.29	256.21	273.48	5,198.51
Accumulated Depreciation as on April 1, 2020	-	532.46	2,981.24	169.91	130.33	79.53	174.11	110.62	4,178.20
Depreciations	-	20.30	23.12	2.00	4.90	1.04	21.64	24.38	97.38
Disposals	-	-	-	-	-	-	-	-	-
Accumulated Depreciation as on March 31, 2021	-	552.76	3,004.36	171.91	135.23	80.57	195.75	135.00	4,275.58
Net Carrying Cost as at March 31, 2021	146.66	259.63	286.43	10.85	11.70	8.72	60.46	138.48	922.93
Capital Work in Progress									-
Total									922.93

Ageing for capital – work – in – progress as at March 31, 2022 is as follows

(₹ in Lakhs)

CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	373.62	-	-	-	373.62

Ageing for capital – work – in – progress as at March 31, 2021 is as follows

(₹ in Lakhs)

CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	-	-	-	-	-

5. Right To Use - Ind AS 116, Leases Impact

The Right To Use value disclosed is as per Ind AS 116 (Lease Impact). The impact of Ind AS 116 on the Company's financial statements at 31 March 2022 is as follows:

The details of the right-of-use assets held by the Company as on 31st March, 2022 is as follows:

(₹ in Lakhs)

	Additions for year ended March 31, 2022	Net carrying amount as at March 31, 2022
Building	-	376.38
Total	Nil	376.38

Expenses on right-of-use assets are as follows:

(₹ in Lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on Building	49.30	62.11
Interest on Lease Liabilities	38.05	33.00
Total	87.35	95.11

The details of the right-of-use assets held by the Company as on 31st March, 2021 is as follows:

(₹ in Lakhs)

	Additions for year ended March 31, 2021	Net carrying amount as at March 31, 2021
Building	387.66	385.24
Total	387.66	385.24

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Expenses on right-of-use assets are as follows:

(₹ in Lakhs)

	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation on Building	62.11	49.61
Interest on Lease Liabilities	33.00	22.23
Total	95.11	71.84

Statement of Cash flows:

The total cash outflow for leases is ₹ 56.82 lakhs and ₹ 80.20 lakhs for years ended March 31, 2022 and 2021, respectively.

6. Security Deposit & Others (Non-Current)

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Non-current		
Security Deposits, Considered Good	60.42	25.98
Total	60.42	25.98

7. Loan & Other Current Financial Assets

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
7 (i) Loan		
- Loans to Others, Considered Good - Unsecured	2,875.00	2,625.50
Sub – Total	2,875.00	2,625.50
7 (ii) Other Current Financial Asset		
- Security Deposits, Considered Good	2.05	16.36
- Tax Recoverable	315.85	139.29
- Interest Receivable	86.05	106.24
Sub – Total	403.95	261.89
Total (i+ii)	3,278.95	2,887.39

8. Income Taxes

i. The movement in Deferred Tax Assets and Liabilities during the year is as follows:

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Opening balance	767.88	808.20
Tax (Expense)/ Income Recognised in statement of Profit and Loss	(403.62)	(19.20)
Tax Income/ (Expense) Recognised in OCI	0.15	(21.12)
Closing Balance	364.41	767.88

The Company has determined that there is a reasonable certainty that sufficient profits will be available in future to recoup unabsorbed depreciation and carried forward losses and accordingly deferred tax has been recognised on those losses under Ind AS provisions.

ii. The Major Component of the Tax expenses are:

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Current Income Tax		
For the Year		
Deferred Tax		
For the Year	403.47	40.32
Income Tax Expenses	403.47	40.32

iii. The Analysis of Deferred Tax Assets / Liabilities and expenses is as follows

(₹ in Lakhs)

Particulars	Opening Balance as on 1 st April, 2021	Recognised in Profit & Loss Account	Recognised in Other Comprehensive Income	Closing balance as on 31 st March, 2022
Deferred Tax Assets				
Carried Forward Losses	689.19	(397.48)		291.71
Leasehold Assets as per IND AS 116	2.43	6.45		8.88
Employee Benefits	116.93	(2.45)	0.15	114.63
Depreciation on Property, Plant and Equipment	(40.67)	(15.88)		(56.55)
Expenses allowed in future period	-	5.74		5.74
Net Deferred Tax Assets	767.88	403.62	0.15	364.41

9. Other Non-Financial Assets

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
9 (I) Other Non-current Asset		
Prepaid Expenses	2.10	0.43
Advance to Supplier – Capital Purchase	748.42	-
Total	750.52	0.43
9 (II) Other Current Asset		
Prepaid Expenses	10.07	10.33
Advance to Employees	11.36	11.51
Advance to Suppliers	4,650.13	4,966.79
Total (I+II)	4,671.56	4,988.63

10. Inventories

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Raw Materials	539.59	433.91
Work-In-Progress	3,854.66	1,128.63
Stores and Spares	397.00	310.79
Goods in Transit	68.37	--
Scrap & By-Products	25.45	3.21
Total	4,885.07	1,876.54

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11. Trade Receivables

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Unsecured		
Considered Good	982.59	882.75
Considered Doubtful	--	--
Total	982.59	882.75
Less: Provision for Doubtful Receivables	--	--
Total Receivables	982.59	882.75

Trade Receivable ageing Schedule

Outstanding for following periods from the due date of payment as on March 31, 2022:

(₹ in Lakhs)

Particulars	Less than 6 months	6 months – 1 year	1 – 2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivable – Considered good	934.13	41.41	-	-	-	975.54
(ii) Undisputed Trade Receivables – Which have significant Increase in credit risk.	-	-	-	-	-	-
(iii) Undisputed Trade Receivable – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivable – considered good	-	7.05	-	-	-	7.05
(v) Disputed Trade Receivables – Which have significant Increase in credit risk.	-	-	-	-	-	-
(vi) Disputed Trade Receivable – credit impaired	-	-	-	-	-	-
Total	934.13	48.46	-	-	-	982.59

Outstanding for following periods from the due date of payment as on March 31, 2021:

(₹ in Lakhs)

Particulars	Less than 6 months	6 months – 1 year	1 – 2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivable – Considered good	548.66	334.09	-	-	-	882.75
(ii) Undisputed Trade Receivables – Which have significant Increase in credit risk.	-	-	-	-	-	-
(iii) Undisputed Trade Receivable – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivable – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – Which have significant Increase in credit risk.	-	-	-	-	-	-
(vi) Disputed Trade Receivable – credit impaired	-	-	-	-	-	-
Total	548.66	334.09	-	-	-	882.75

12. Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Balances with Banks		
On Current Accounts	1022.80	465.21
Bank Deposits with original maturity of three months or less	152.17	--
Cash in Hand	2.02	4.27
Other Bank Balance		
Margin Money Deposit	1,282.41	1,359.41
Total	2,459.40	1,828.89

13. Equity Share Capital

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Authorized Share Capital		
120,00,00,000 Equity Shares of ₹ 1/- each (P.Y. 90,00,00,000)	12,000.00	9,000.00
Issued, Subscribed and Fully Paid-up Shares		
89,86,98,382 Equity shares of ₹ 1/- each	8,986.98	8,986.98
Total	8,986.98	8,986.98

- During the year company has increased the Authorized Share Capital from ₹ 9,000 Lakhs to ₹ 11,000 Lakhs as approved in the Extraordinary General Meeting held on 12th November 2021 and further from ₹ 11,000 Lakhs to ₹ 12,000 Lakhs as approved in the Extraordinary General Meeting held on 24th January 2022 divided into 120,00,00,000 Equity Shares of ₹ 1/- each.
- The Company has not issued any share as fully paid up without payment being received in cash or as bonus neither shares nor any share has been bought back by the Company in last 5 years.
- Reconciliation of number of shares**

Particulars	31 st March, 2022		31 st March, 2021	
	Number of Shares	₹ in Lakhs	Number of Shares	₹ in Lakhs
Equity Shares				
Opening Balance	89,86,98,382	8,986.98	89,86,98,382	8,986.98
Movement During the year	-	-	-	-
Closing Balance	89,86,98,382	8,986.98	89,86,98,382	8,986.98

iv. Terms and Rights attached to Equity Shares.

The Company has only one class of Equity Shares having par value of ₹ 1 per share. Each holder of equity shares is entitled to cast one vote per share.

v. Details of Shareholders Holding more than 5% shares in the company

Name of Shareholders	31 st March, 2022		31 st March, 2021	
	(Nos.)	(% holding)	(Nos.)	(% holding)
Holding Company - Shree Global Tradefin Limited (Including Ragini Trading & Investment Limited Merged with Shree Global Tradefin Limited)	47,98,37,185	53.39%	6,53,51,012	7.27%
FirstIndia Infrastructure Private Limited (Formerly known as Ultimate Logistics Solutions Pvt. Ltd.)	-	-	28,80,73,478	32.05%
Metallurgical Engineering and Equipments Limited	-	-	12,63,67,638	14.06%

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vi. Terms of securities convertible into Equity Shares

Sr. No.	Type of Securities issued	Number of Securities issued	Terms
1	Optionally Fully Convertible Debentures (OFCD)	1,51,80,000	Equivalent number of equity shares to be converted within 18 months from the date of issue of OFCD at the discretion of option holder
2	Share Warrants	16,50,00,000	Equivalent number of equity shares to be converted within 18 months from the date of issue of Share Warrants at the discretion of Warrant holder.

vii. Disclosure of Shareholding of Promoters

Disclosure of Shareholding of promoters as on 31st March, 2022 is as follows:

SL. No.	Promoter Name	Shares held by Promoters				% Change during the year
		At March 31, 2022		At March 31,2021		
		No. of Shares	% of total Shares	No. of Shares	% of total Shares	
1	Shree Global Tradefin Limited (Including Ragini Trading & Investment Limited Merged with Shree Global Tradefin Limited)	47,98,37,185	53.39%	Nil*	Nil*	53.39%
2	Renu R Gupta	68,680	0.01 %	Nil*	Nil*	0.01 %
3	Rajesh R Gupta	61,438	0.01 %	Nil*	Nil*	0.01 %
4	Chitralekha R Gupta	22,172	0.00 % [#]	Nil*	Nil*	0.00 % [#]
5	Abha M Gupta	7,514	0.00 % [#]	Nil*	Nil*	0.00 % [#]
6	Mukesh R Gupta	7,095	0.00 % [#]	Nil*	Nil*	0.00 % [#]
7	FirstIndia Infrastructure Private Limited (Formerly known as Ultimate Logistics Solutions Pvt. Ltd.)	Nil	Nil	28,80,73,478	32.05%	(32.05 %)
8	Metallurgical Engineering and Equipments Limited	Nil	Nil	12,63,67,638	14.06%	(14.06%)

* Equity Shares as on March 31, 2021 held in the Non Promoter Category therefore shown as Nil in Promoter Category.

Represents Percentage less than 0.005%

Disclosure of Shareholding of promoters as on 31st March, 2021 is as follows:

SL. No.	Promoter Name	Shares held by Promoters				% Change during the year
		At March 31, 2021		At March 31,2020		
		No. of Shares	% of total Shares	No. of Shares	% of total Shares	
1	FirstIndia Infrastructure Private Limited (Formerly known as Ultimate Logistics Solutions Pvt. Ltd.)	28,80,73,478	32.05%	28,80,73,478	32.05%	Nil
2	Metallurgical Engineering and Equipments Limited	12,63,67,638	14.06%	12,63,67,638	14.06%	Nil

Shree Global Tradefin Limited entered Into a Share Purchase Agreement ("SPA") on 28th January, 2021 with the erstwhile Promoters/Promoter Group of Lloyds Steels Industries Limited (Company/Target Company) i.e. Metallurgical Engineering and Equipments Limited and FirstIndia Infrastructure Private Limited to acquire the Equity Shares

collectively held by them in the Company i.e. 41,44,41,116 Equity Shares of ₹ 1 each representing 46.11% of the Equity Share Capital/Voting Capital of the Company. Pursuant to the said Share Purchase Agreement which triggered the open offer requirement as per SEBI (SAST Regulations), 2011, the Shree Global Tradefin Limited made an Offer in terms of Regulation 3(1) and 4 of the said Regulations to acquire upto 23,36,61,600 Equity Shares of ₹ 1 each, representing 26% of the Equity Share Capital/Voting Capital of the Target Company ("Offer Size") at a price of ₹ 1 (Rupee One only) per Equity Share ("Offer Price"), payable in cash, to the Public Shareholders of the Target Company. Shree Global Tradefin Limited has completed the Open Offer formalities as Certified by Manager to the Open Offer, Mark Corporate Advisory Private Limited vide letter dated 18th May, 2021.

Pursuant to the said acquisition of 41,44,41,116 Equity Shares (46.11%) of the Company from the exiting Promoter/ Promoters/Promoter Group of the Company, Shree Global Tradefin Limited has become the "Holding Company" of Lloyds Steels Industries Limited w.e.f. 21st May 2021.

14. Other Equity

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Capital Reserve		
Opening Balance	5.00	5.00
Transfer from / to Retained Earning	-	-
Closing Balance (i)	5.00	5.00
Retained Earnings		
Opening Balance	2,352.53	2,247.37
Profit for the year	594.72	50.37
Remeasurement of defined employee benefit plans	(0.44)	54.79
Closing Balance (ii)	2,946.81	2,352.53
Money received against Share Warrants		
Opening Balance	-	-
Money received against Share Warrants	1,592.25	-
Expenses for Share Warrants	(7.11)	-
Closing Balance (iii)	1,585.14	-
Total Other Equity (i) + (ii) + (iii)	4,536.95	2,357.53

15. Financial Liabilities – Others

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
(I) Non-current		
Long Term Borrowings		
Secured		
Vehicle Loans from Banks	23.79	56.45
Unsecured		
Liability Component of Compound financial instruments -OFCD – Long Term	1,862.22	-
Total (i)	1,886.01	56.45

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(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
(II) Current		
Others		
Secured		
- Current Maturity of Long Term Borrowing	32.65	30.18
Unsecured		
- Liability Component of Compound financial instruments -OFCD – Short Term	244.29	-
- Interest Accrued but Not Due	0.32	0.62
- Employees Payable	122.65	176.81
- Taxes Payable	77.84	38.35
Total (ii)	477.75	245.96

The Board of Directors at its meeting held on 27th January, 2022 has made allotment of 1,51,80,000, 12% Optionally Fully Convertible Debentures (OFCD) of Face Value of ₹ 13.65 each to “Investors” of non-Promoter category, on preferential allotment basis. Ind AS 109 - Financial instruments has recognized interest on OFCD ₹ 44.60 Lakhs under finance cost, liability on OFCD of ₹ 2,066.26 Lakhs (Net of Transaction Cost of ₹ 5.81 Lakhs) under unsecured borrowing & other equity of ₹ Nil.

Repayment of Term Loan

The loans are secured with exclusive charges over vehicles.

Terms of Repayment

(₹ in Lakhs)

Particulars	Amount Outstanding as at 31 st March, 2022	F.Y. 22-23	F.Y. 23-24	F.Y. 24-25
HDFC Bank Limited - Loan for Vehicles	56.45	32.65	18.37	5.43

The rate of interest for vehicles loan from bank range from 8 % to 10 %.

16. Provisions

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Gratuity	382.20	363.15
Compensated Absence	68.54	51.89
Provision For Expenses	53.13	92.25
Total	503.87	507.29
(I) Non - Current – Provisions	417.95	363.11
(II) Current – Provisions	85.92	144.18

Refer Note 24 for movement of provision towards employee benefits.

17. Trade Payables

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
(i) MSME	-	-
(ii) Others	778.96	721.10
(iii) Disputed Dues – MSME	-	-
(iv) Disputed Dues – Others	-	-
Total	778.96	721.10

The Company identifies suppliers registered under Micro, Small & Medium Enterprises Development Act, 2006 by sourcing information from suppliers and accordingly made classification based on available information with the Company.

Outstanding for following periods from the due date of payment as on 31.03.2022:

(₹ in Lakhs)

Particulars	Less than 1 year	1 – 2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	716.00	17.02	9.62	12.02	754.66
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	24.30	24.30

Outstanding for following periods from the due date of payment as on 31.03.2021:

(₹ in Lakhs)

Particulars	Less than 1 year	1 – 2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	641.89	28.83	8.88	17.20	696.80
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	24.30	24.30

18. Other Non-Financial Liabilities

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Current		
Advances from Customers	1,830.48	1,875.65
Total	1,830.48	1,875.65

19. Contingent Liabilities & Commitments

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Contingent Liabilities		
A) Claims against the Company, not acknowledged as debts	858.57	856.00
B) Guarantees		
Guarantees issued by the Company's bankers on behalf of the Company	1,270.00	1,348.34
C) Income tax liability for the Assessment Year 2015-16, 2016-17, 2018-19 & 2019-20 under section 153C, not acknowledged as debts.	1,146.28	-
Commitments		
D) Estimated amount of contracts remaining to be executed on capital account and not provided for	2,456.27	-

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20. Revenue from Operations

(₹ in Lakhs)

Particulars	For the year ended	
	31 st March, 2022	31 st March, 2021
Sale of Products		
Finished Goods	4,852.54	6,936.66
Other Operating Revenue		
Sale of Scrap & By Products	46.11	30.27
Job Work Charges	111.01	38.16
Total	5,009.66	7,005.09

21. Other Income

(₹ in Lakhs)

Particulars	For the year ended	
	31 st March, 2022	31 st March, 2021
Interest Income		
On Bank Deposits	76.33	107.45
From others	507.18	579.23
Other Non – Operating Income		
Miscellaneous Income	72.77	8.25
Gain on Termination – Lease Ind AS 116	-	15.65
Liabilities no longer required, Written Back (net)	318.79	598.79
Total	975.07	1,309.37

22. Cost of Raw Materials Consumed

(₹ in Lakhs)

Particulars	For the year ended	
	31 st March, 2022	31 st March, 2021
Cost of Raw Materials Consumed		
Iron & Steel, etc.	3,843.73	3,982.30
Total	3,843.73	3,982.30

23. Changes in Inventories of Finished Goods, Work-in-Progress.

(₹ in Lakhs)

Particulars	For the year ended	
	31 st March, 2022	31 st March, 2021
Inventories at the end of the year		
Work-in-Progress	3,854.66	1,128.63
Scrap	25.45	3.21
Total	3,880.11	1,131.84
Inventories at the beginning of the year		
Work-in-Progress	1,128.63	1,380.12
Scrap	3.21	1.93
Total	1,131.84	1,382.05
Total (Increase) / Decrease in Inventories	(2,748.27)	250.21

24. Employee Benefits Expenses As Per IND AS – 19.

(₹ in Lakhs)

Particulars	For the year ended	
	31 st March, 2022	31 st March, 2021
Salaries, Wages and Bonus	1,159.52	1,018.92
Contribution to Provident and Other Fund	62.87	60.99
Gratuity & Leave Encashment Expenses	74.60	77.60
Staff Welfare /Workmen Expenses	17.92	12.31
Managerial Remuneration	66.04	88.51
Total	1,380.95	1,258.33

Defined Benefit Plan

The Company operates one defined benefit plan, viz., Gratuity Benefit, for its employees. The Gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service as per the Payment of Gratuity Act. The Company does not have any fund for gratuity liability and the same is accounted for as provision.

Under the other long term employee benefit plan, the Company extends benefit of compensated absences to the employees, whereby they are eligible to carry forward their entitlement of earned leave for encashment upon retirement / separation or during tenure of service. The Plan is not funded by the Company.

The details of defined benefit obligations are as follows:

(₹ in Lakhs)

Particulars	31 st March, 2022		31 st March, 2021	
	Gratuity	Compensated absence	Gratuity	Compensated absence
Obligation:				
Balance as at beginning of the year	363.14	51.89	457.69	78.31
Current Service Cost	25.35	17.75	24.96	14.54
Interest Cost	24.69	3.53	31.12	5.32
Liability Transfer	--	--	3.01	1.55
Benefits Paid	(30.30)	(5.90)	(99.56)	(25.99)
Re-measurements	(0.68)	1.27	(54.07)	(21.84)
Present value of Defined Benefit Obligation	382.20	68.54	363.14	51.89
Current Portion	29.42	3.37	46.23	5.70
Non-Current Portion	352.78	65.17	316.91	46.19

Amount recognized in Other Comprehensive Income

(₹ in Lakhs)

Particulars	For the year ended	
	31 st March, 2022	31 st March, 2021
Re-measurements	0.59	(75.91)
Total	0.59	(75.91)

Due to its defined benefit plans, the Company is exposed to the following significant risks:

Changes in bond yields - A decrease in bond yields will increase plan liability.

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Salary Risk - The present value of the defined benefit plans liability is calculated by reference to the future salaries of the plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Existing assumptions

Particulars	31 st March, 2022	31 st March, 2021
Discount Rate	6.80%	6.80%
Salary Escalation Rate	8.00%	3% for first year & 8% thereafter
Withdrawal Rate	1.00%	1.00%
Mortality Rate	Indian Assured Lives (2012- 14)	Indian Assured Lives (2012-14)
Retirement Age	62 Years	62 Years

The Company regularly assesses these assumptions with the projected long-term plans and prevalent industry standards.

The impact of sensitivity due to changes in the significant actuarial assumptions on the defined benefit obligations is given in the table below:

(₹ in Lakhs)

Particulars	Change in Assumption	31 st March, 2022		31 st March, 2021	
		Gratuity	Compensated Absence	Gratuity	Compensated Absence
Discount Rate	+1%	355.78	62.80	335.50	47.48
	-1%	412.22	74.58	394.80	57.05
Salary Growth Rate	+1%	411.58	74.44	394.12	56.94
	-1%	355.82	62.81	335.54	47.48
Withdrawal Rate	+1%	381.65	68.05	361.14	51.52
	-1%	382.77	68.42	365.35	52.31

The above sensitivity analysis is determined based on a method that extrapolates the impact on the net defined benefit obligations as a result of reasonable possible changes in the significant actuarial assumptions. Further, the above sensitivity analysis is based on a reasonably possible change in a particular under-lying actuarial assumption, while assuming all other assumptions to be constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated.

The table below summarises the maturity profile and duration of the gratuity liability:

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Within one year	29.42	46.23
More than one – upto three years	19.76	46.73
More than three – upto five years	46.88	24.18
Above five years	286.14	246.00
Weighted average duration (in years)	9.48 years	8.47 years

The table below summarises the maturity profile and duration of the Compensated Absence liability:

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Within one year	3.37	5.70
More than one – upto three years	4.19	7.48
More than three – upto five years	9.43	3.23
Above five years	51.55	35.48
Weighted average duration (in years)	9.48 years	8.47 years

25. Manufacturing and Other Expenses

(₹ in Lakhs)

Particulars	For the year ended	
	31 st March, 2022	31 st March, 2021
Consumption of Stores and Spare Parts	375.28	251.16
Power Charges	61.17	46.04
Fuel & Gases Charges	22.95	10.60
Freight and Forwarding Charges (net)	91.35	362.20
Other Expenses of Production	79.52	102.50
Engineering and Processing Charges	495.23	607.91
Rent	7.34	6.90
Rates and Taxes	67.42	12.27
Insurance	9.73	10.15
Repairs and Maintenance:		
Plant and Machinery	3.30	--
Buildings		--
Others	38.67	135.07
Other Selling Expenses	63.40	14.09
Commission and Brokerage	1.92	7.19
Legal & Professional Charges	463.98	141.90
Directors' Sitting Fees	3.52	2.72
Payment to Auditor (Refer details below)	2.04	2.00
Loss on Sale of Fixed Assets (net)	0.40	--
Net Gain / Loss on Foreign Currency Transaction	64.00	19.90
Travelling & Conveyance Expenses	107.83	52.44
Miscellaneous Expenses	102.91	732.72
Total	2,061.95	2,517.76

LLOYDS STEELS INDUSTRIES LIMITED

Payments to Auditor

(₹ in Lakhs)

Particulars	For the year ended	
	31 st March, 2022	31 st March, 2021
As Auditor:		
Audit Fees	1.50	1.50
Tax Audit Fees	0.50	0.50
In other capacity:		
Certification Charges	0.04	--
Total	2.04	2.00

26. Finance Costs

(₹ in Lakhs)

Particulars	For the year ended	
	31 st March, 2022	31 st March, 2021
Interest on Vehicle Loan / Others	6.12	32.48
Interest on OFCD	44.60	
Interest on Right to use (Ind AS 116) (Refer Note 5)	38.05	33.00
Other Borrowing Costs		
Bank & Finance Processing Charges	13.13	11.33
Total	101.90	76.81

27. Depreciation and Amortization Expense

(₹ in Lakhs)

Particulars	For the year ended	
	31 st March, 2022	31 st March, 2021
Depreciation on Tangible Assets (Refer Note 4)	84.42	97.38
Depreciation on Right to Use – AS 116 (Refer Note 5)	49.30	62.11
Total	133.72	159.49

28. Earnings Per Share ('EPS')

The followings is a reconciliation of the equity shares considered for computation of basic and diluted earnings per equity share:

Particulars			2021-2022	2020-2021
Weighted average number of Equity share for basic EPS	(A)	Nos	89,86,98,382	89,86,98,382
Potential Dilution in equity shares	(B)	Nos	4,67,75,005	-
Weighted average number of Equity shares for diluted EPS	(A+B=C)	Nos	94,54,73,387	89,86,98,382
Face value of equity share (Fully Paid)		₹	1	1
Profit attributable to equity shareholders for				
Basic	(D)	₹ in Lakhs	594.72	50.37
Diluted	(E)	₹ in Lakhs	628.10	50.37
Earnings per equity share				
Basic	(D/A)	₹	0.07	0.01
Diluted	(E/C)	₹	0.06	0.01

29. Segment Reporting as per IND-AS – 108.

The Company has single business Segment namely Engineering Products and Services.

30. Related Party Disclosures

A	Holding Company	Shree Global Tradefin Limited (with effect from 21.05.2021)
B	Enterprises where Key Managerial Personnel control exists	Lloyds Metals & Energy Limited (w.e.f 31.05.2021)
C	Key Managerial Personnel	
	(i) Executive Directors	1. Mukesh R. Gupta (w.e.f 31.05.2021)
	(ii) Non Executive Directors	1. Rajashekhar M. Alegavi
		2. Ashok S. Tandon (w.e.f 01.04.2021)
	(iii) Independent Directors	1. Satyendra N. Singh
		2. Bela Sunder Rajan
		3. Ashok Kumar Sharma
		4. Kishorkumar M. Pradhan
		5. Lakshman Ananthsubramanian
	(iv) Chief Financial Officer	Kalpesh P. Agrawal
	(v) Company Secretary	Meenakshi Pansari
D	Relative of Key Managerial Personnel	Shree Krishna Gupta

Transactions and Outstanding Balances with the Related Parties as on March 31, 2022 are as follows

(₹ in Lakhs)

Particulars	Key Managerial Personnel		Relative of Key Managerial Personnel		Entities Controlled by Directors/Relatives	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Transactions						
Sale of Goods					1,956.20	-
Other Income					40.93	-
Short Term Employee Benefits	92.13	135.88	181.97			
Post Employee Benefits	9.72	57.69				
Consultancy	189.14	-				
Brokerage	7.70	-				
Sitting Fees	4.84	2.72				
Outstanding Balances						
Advance Taken					75.63	-
Trade & Other Payables	6.72	-	0.11	-		

31. Financial and Capital Risk**A. Financial Risk**

The business activities of the Company expose it to a variety of financial risks, namely market risks (that is, foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's risk management strategies focus on the un-predictability of these elements and seek to minimise the potential adverse effects on its financial performance.

The financial risk management for the Company is driven by the Company's Senior Management and internal/ external experts subject to necessary supervision.

LLOYDS STEELS INDUSTRIES LIMITED

The Company does not undertake any speculative transactions either through derivatives or otherwise. The senior management is accountable to the Board of Directors and Audit Committee. They ensure that the Company's financial risk-taking activities are governed by appropriate financial risk governance frame work, policies and procedures. The Board Of Directors periodically reviews the exposures to financial risks, and the measures taken for risk mitigation and the results thereof.

i) Foreign Currency Risk

Foreign exchange risk arises on all recognised monetary assets and liabilities and on highly probable forecasted transactions which are denominated in a currency other than the functional currency of the Company. The Company has foreign currency trade payables and advance from customers.

The Foreign Exchange Risk Management Policy of the Company requires it to manage the foreign exchange risk by transacting as far as possible in the functional currency.

The year end foreign exposures that have not been hedged by a derivative instrument or otherwise are given below

Particulars	Foreign Currency		
	USD	Euro	GBP
Current Year			
Trade Payables – in Foreign Currency (full figures)	15,690.40	55,651.06	--
Trade Payables – ₹ in Lakhs	(11.89)	(47.11)	--
Advance to Supplier – in Foreign Currency (full figures)	25,000.00	--	
Advance to Supplier – ₹ in Lakhs	18.95	--	
Previous Year			
Trade Payables – in Foreign Currency (full figures)	15,690.40	36,619.91	--
Trade Payables – ₹ in Lakhs	11.53	31.53	--
Advance to Supplier – in Foreign Currency (full figures)	--	--	701.07
Advance to Supplier – ₹ in Lakhs	--	--	0.71
Advance From Customer - in Foreign Currency (full figures)	2,02,080.00	--	--
Advance From Customer – ₹ in Lakhs	148.54	--	--

No forward contracts were entered into by the Company either during the year or previous years since the Company has very minimum exposure to foreign currency risk as stated in above table.

Foreign Currency Sensitivity

(₹ in Lakhs)

Particulars	Change in Currency Exchange Rate	Effect on Loss/(Profit) Before Tax	Effect on Equity (OCI)
For the year ended 31st March, 2022			
Euro	+5%	2.36	--
	-5%	(2.36)	--
Others	+5%	0.59	--
	-5%	(0.59)	--
For the year ended March 31, 2021			
Euro	+5%	1.58	--
	-5%	(1.58)	--
Others	+5%	7.97	--
	-5%	(7.97)	--

The sensitivity disclosed in the above table is mainly attributable to, in case of to foreign exchange gains / (losses) on trade payables and trade receivables. The above sensitivity analysis is based on a reasonably possible change in the under-lying foreign currency against the respective functional currency while assuming all other variables to be constant.

Based on the movements in the foreign exchange rates historically and the prevailing market conditions as at the reporting date, the Company's management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

ii) Price Risk

The Company uses surplus fund in operations and for further growth of the Company. Hence, there is no price risk associated with such activity.

iii) Credit Risk

Credit risk refers to the risk of default on its obligation by the counter-party, the risk of deterioration of creditworthiness of the counter-party as well as concentration risks of financial assets and thereby exposing the Company to potential financial losses. The Company is exposed to credit risk mainly with respect to trade receivables.

Trade Receivables

The Trade receivables of the Company are typically non-interest bearing un-secured. As there is no independent credit rating of the customers available with the Company, the management reviews the credit-worthiness of its customers based on their financial position, past experience and other factors. The credit risk related to the trade receivables is managed / mitigated by concerned team based on the Company's established policy and procedures and by setting appropriate payment terms and credit period. The credit period provided by the Company to its customers depend upon the contractual terms with the customers.

The ageing analysis of Trade Receivables as at the reporting date is as follows:

(₹ in Lakhs)

Particulars	Less than six months	More than six months
Trade Receivables as at 31 st March, 2022	934.13	48.46
Trade Receivables as at 31 st March, 2021	548.66	334.09

The Company performs on-going credit evaluations of its customer's financial condition and monitors the credit-worthiness of its customers to which it grants credit in its ordinary course of business. The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount due or there are some disputes which in the opinion of the management is not in the Company's favour. Where the financial asset has been written-off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit and loss.

iv) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Accordingly, as a prudent liquidity risk management measure, the Company closely monitors its liquidity position and deploys a robust cash management system.

Based on past performance and current expectations, the Company believes that the Cash and Cash equivalents and cash generated from operations will satisfy its working capital needs, capital expenditure, investment requirements, commitments and other liquidity requirements associated with its existing operations, through at least the next twelve months.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:-

LLOYDS STEELS INDUSTRIES LIMITED

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	
	Less than one year	More than one year
Trade Payables	716.00	62.96
Other Financial Liabilities	477.75	--
Total Financial Liabilities	1,193.75	62.96

(₹ in Lakhs)

Particulars	As at 31 st March, 2021	
	Less than one year	More than one year
Trade Payables	641.89	79.21
Other Financial Liabilities	245.96	--
Total Financial Liabilities	887.85	79.21

B. Capital Risk

The Company's objective while managing capital is to safeguard its ability to continue as a going concern (so that it is enabled to provide returns and create value for its Shareholders, and benefits for other Stakeholders), support business stability and growth, ensure adherence to the covenants and restrictions imposed by lenders and/ or relevant laws and regulations, and maintain an optimal and efficient capital structure so as to reduce the cost of capital. However, the key objective of the Company's capital management is to, ensure that it maintains a stable capital structure with the focus on total equity, uphold investor; creditor and customer confidence and ensure future development of its business activities. In order to maintain or adjust the capital structure, the Company may issue new shares, declare dividends, return capital to shareholders, etc. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements.

Fair Value of Financial Assets and Liabilities

The carrying value and fair value of the Company's financial instruments are as follows:

(₹ in Lakhs)

Particulars	Carrying Value as of		Fair Value as of	
	31 st March, 2022	31 st March, 2021	31 st March, 2022	31 st March, 2021
Financial Assets				
FVTPL				
Amortized cost				
Trade Receivables	982.59	882.75	982.59	882.75
Cash and Cash Equivalents	2,459.40	1,828.89	2,459.40	1,828.89
Loans	2,875.00	2,625.50	2,875.00	2,625.50
Other Financial Assets	403.95	261.89	403.95	261.89
Total	6,720.94	5,599.03	6,720.94	5,599.03
Financial Liabilities				
FVTPL				
Amortized Cost				
Trade Payables	778.96	721.10	778.96	721.10
Other Financial Liabilities	477.75	245.96	477.75	245.96
Total	1,256.71	967.06	1,256.71	967.06

32. Proposed Dividend clause

On 11th May, 2022, the Board of Directors of the Company have proposed a final dividend of Five paise per share in respect of the year ended 31st March, 2022 subject to approval of Shareholders at the Annual General Meeting and if approved, would result in a cash outflow of ₹ 449.35 lakhs.

33. OFCD and Share warrants issue and utilisation statement

During the year under review, the Company raised the funds through

- i The Board of Directors of the Company at its meeting held on 22nd November 2021 has made an allotment of 16,50,00,000 Convertible Warrants of Face Value of ₹ 1/- each at a premium of ₹ 2.86 to Promoter/ Promoter Group, on preferential allotment basis. Company has received 25% of the Issue price amounting to ₹ 1,592.25 lakhs.
- ii The Board of Directors at its meeting held on 27th January, 2022 has made allotment of 1,51,80,000, 12% Optionally Fully Convertible Debentures (OFCD) of Face Value of ₹ 13.65 each to "Investors" of non-Promoter category, on preferential allotment basis. Company has received a sum of ₹ 2072.07 lakhs.

The funds raised through the respective issues were utilized for the purpose for which it was raised and in accordance with the objectives of the said preferential issue stated in the explanatory statement to the notice of general meeting.

34. Additional Regulatory Information**1. Ratios**

Ratio	Numerator	Denominator	Current Year	Previous Year	Reason for 25% Variation
Current Ratio (times)	Total Current Assets	Total Current Liabilities	5.13	4.31	-
Debt – Equity Ratio (times)	Debt consists of borrowing and lease liabilities	Total Equity	0.19	0.04	Due to issue of OFCD
Debt Service Coverage Ratio (times)	Earning for Debt service	Debt service cost	2.03	2.41	-
Return on Equity Ratio (%)	Profit for the year (PAT)	Total Equity	6.62%	0.56%	Due to better profit margin
Inventory turnover Ratio (times)	Cost of Goods Sold	Average Inventory	1.30	3.52	Due to decrease in turnover and increase in inventory
Trade Receivables turnover ratio (times)	Revenue from Operations	Average trade receivables	5.37	4.18	Due to increase in average collection period
Trade Payables turnover ratio (times)	Total Cost	Average trade payables	6.37	7.14	-
Net capital turnover ratio (times)	Revenue from Operations	Working Capital	0.38	0.70	Due to decrease in turnover and increase in working capital
Net Profit ratio (%)	Profit for the year	Total Revenue from Operations	9.94%	0.61%	Due to increase in profit margin
Return on Capital employed (%)	Profit before tax and finance cost	Capital employed	8.07%	1.14%	Due to increase in profit margin

As there is no investment during current year, return on investment ratio is not shown.

LLOYDS STEELS INDUSTRIES LIMITED

2. Title deeds of Immovable Properties not held in name of the Company

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ In Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter, director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, Plant & Equipment	Building-Flat at Rooprekha Co-op. Housing Society Limited	5.15	Lloyds Steel Industries Limited	NO	01 st April, 2014	The company has received the property due to demerger order passed by Bombay High Court

As per our report of even date
For Todarwal & Todarwal LLP
Chartered Accountants
ICAI Firm Reg. No. W100231

For and on behalf of the Board of Directors

Sd/-
Kunal S. Todarwal
Partner
Membership No.: 137804
UDIN: 22137804AMIGTB8991

Sd/-
Mukesh R. Gupta
Chairman
DIN: 00028347

Sd/-
S. N. Singh
Independent Director
DIN: 00398484

Place: Mumbai
Date: 11th May, 2022

Sd/-
Kalpesh P. Agrawal
Chief Financial Officer

Sd/-
Meenakshi A. Pansari
Company Secretary
ACS - 53927

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If undelivered please return to :

BIGSHARE SERVICES PRIVATE LIMITED

(Unit : Lloyds Steels Industries Limited)

Office No S6-2, 6th Floor, Pinnacle Business Park,

Next to Ahura Centre, Mahakali Caves Road,

Andheri (East) Mumbai – 400093. Maharashtra

Phone : 022-6263 8222/223/236

Fax : 022-6263 8299

E-Mail : investor@bigshareonline.com

<http://www.bigshareonline.com/contact.aspx>