



Lloyds Steels Industries Ltd
(LSIL)

Investor Presentation

April 2023

The information contained herein has been prepared by Lloyds steels Industries Ltd.(LSIL”) relying on information obtained from sources believed to be reliable but LSIL does not guarantee the accuracy or completeness of such information.

Except for statements of historical facts, the information herein may contain projections or other forward-looking statements regarding future events or future financial performance of LSIL. These forward-looking statements are not guarantees or promises of future performance. The inclusion of such forward-looking statements shall not be regarded as a representation by LSIL, its management or any other person that the objectives or plans of LSIL will be achieved. Actual results and future events could differ materially from those anticipated in such forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made. Risks and uncertainties arise from time to time, and it is impossible to predict these events or how they may affect LSIL or cause its actual results, performance or achievements to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. LSIL undertakes no obligation to update or revise any forward-looking statement contained herein, whether as a result of new information, future events or otherwise.

Figures are being rounded, and that rounding differences may appear throughout the presentation

Contents



[About Us](#)



[Business Overview](#)



[Investment Thesis](#)



[Financials & Shareholding](#)



[Quarterly Results](#)



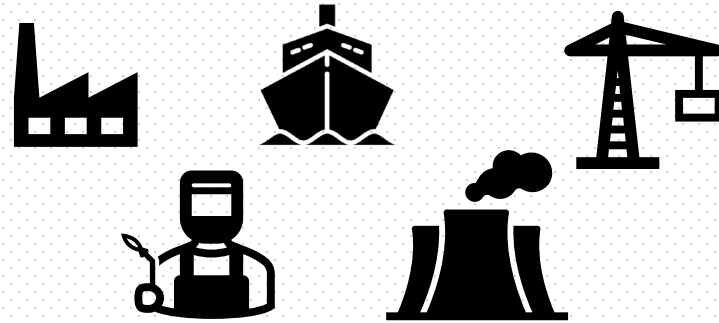
About Us

Providing an Innovated Industrial Solutions

A Product Engineering Solutions company

We have developed a host of capabilities to deliver superior and customised solutions to our client

“ Providing
Engineering &
Infrastructure
Solutions
Since 1974 ”



Catering clientele with Innovation, Customisation, and Precision in the most Cost & Time Efficient manner

Lloyds Steels Industries Ltd started its operations in 1974 and is a complete Process plant equipment providing company in India. It provides a complete package of engineering and infrastructure solutions by carrying out designing, engineering, manufacturing, fabrication and installation. Its products cover a whole array of categories in Heavy Equipment, Machinery and Systems for Hydro Carbon Sector, Oil & Gas, Steel Plant Equipments, Power Plants, Nuclear Plant Boilers and Turnkey Projects.

Its facilities are been approved by various authorities like Industrial Boiler Regulatory Authority, SGS UK, Petroleum and Explosives Safety organisation etc.

The company has its state of art manufacturing facilities located at Murbad, Thane and is headquartered in Mumbai with 388 employees.

Sector Variegation- Catering to diversified sectors

Partnering to bridge the gap in the nation's infrastructure needs with our sustainable & efficient business model



Hydrocarbon

Manufacturing and supplying Process Equipment such as Pressure Vessels, Columns, Reactors, Heat Exchangers, waste heat recovery boilers, Air/Gas /Liquid Dryer Packages



Steel

Fabrication of various equipment for Steel melting shop, manufacturing equipment in the Hot rolling Mill and Cold rolling Mill Ball Mills, Rotory Dryer and various other equipment required for iron and steel making



Nuclear

Lloydsteels is registered with BARC & NPCIL for the supply of various equipment based on the basic design engineering by NPCIL and further design engineering, done by LSIL for the equipment



Marine /Navy

Manufacturing and supplying various products like a Fin Stabiliser required to be setup in various Navy warships, The Electro-Hydraulic Steering Gear for Marine ships etc



Ports, Jetties& Refineries

Design, engineering & supply critical components like Swivel Joints, Seals, Coupler Hydraulic valve etc. Leading manufacturers of Truck and Wagon Loading Arms for handling different products.



Power

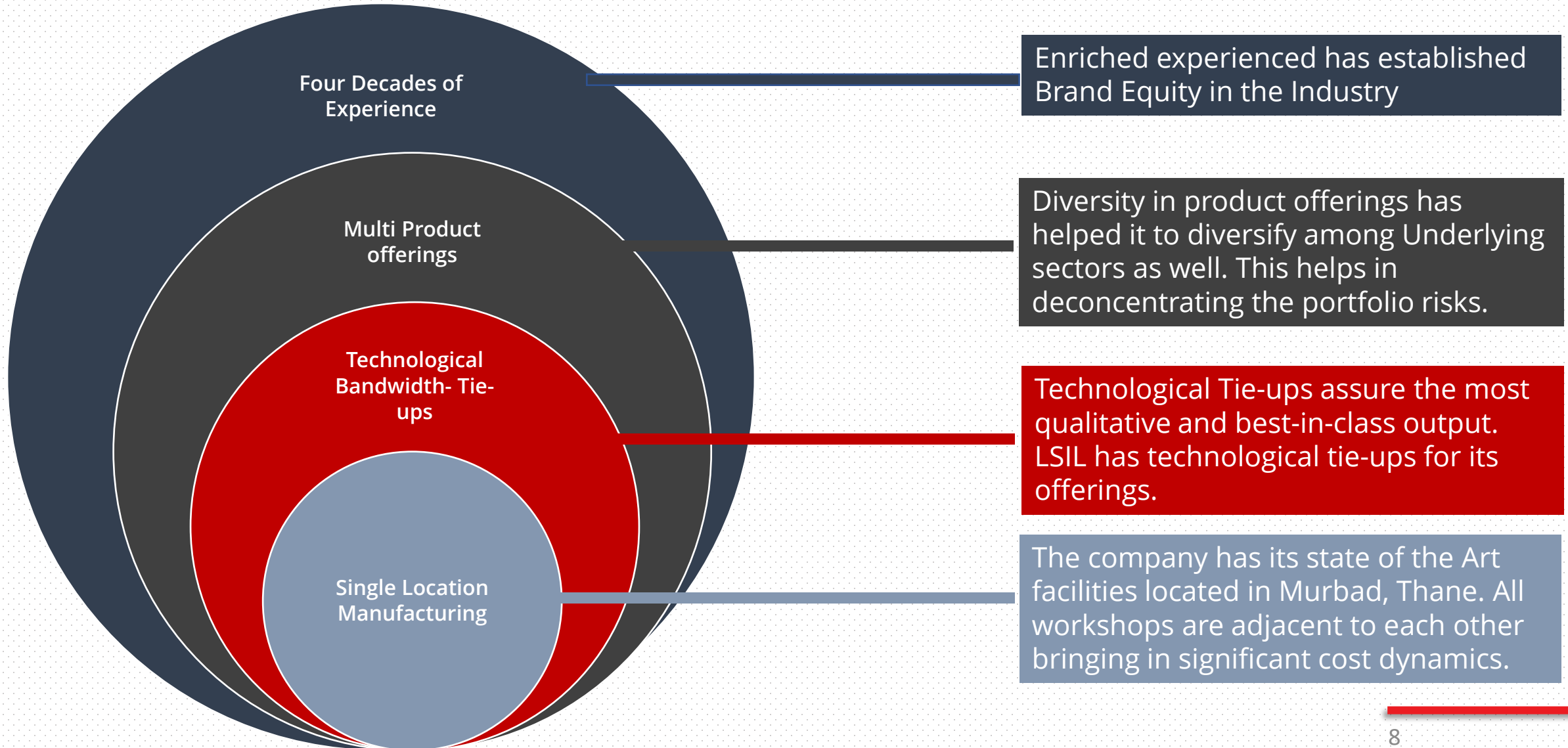
Design, and manufacturing of thermal power plants and their various equipment thereof in likes as boilers, condensers, heaters etc

Business Overview



Strengths – Unified and Client Centric approach

Playing on Strengths to deliver robust output in the most efficient manner



Strategic Plant Location

All workshops being adjacent to each other brings in the logistic advantage

1

The single location of the plant with all 5 workshops adjacent to each other helps in **better** absorption of Overhead costs

2

A centralised Raw Material procurement system helps in **better** operating cost structures

3

Shared Infrastructure brings **agility** in the execution of the projects



Shop B



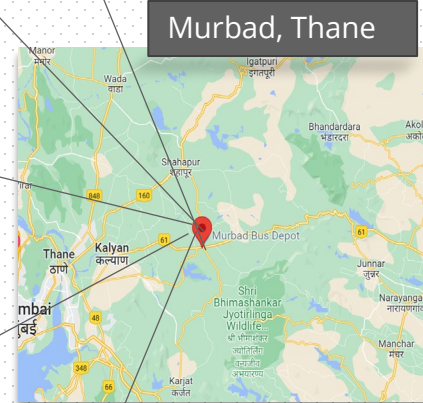
Shop A



Shop C



Shop K3



Murbad, Thane

Upcoming Shop D

Spread across 8 acres
84 kms from JNPT.
1 km from national Highway

Multi Product offerings – Product portfolio across Multiple Sectors

Boilers /
Power/
Chemicals



Hydrocarbons
/ Dryers/
Refineries



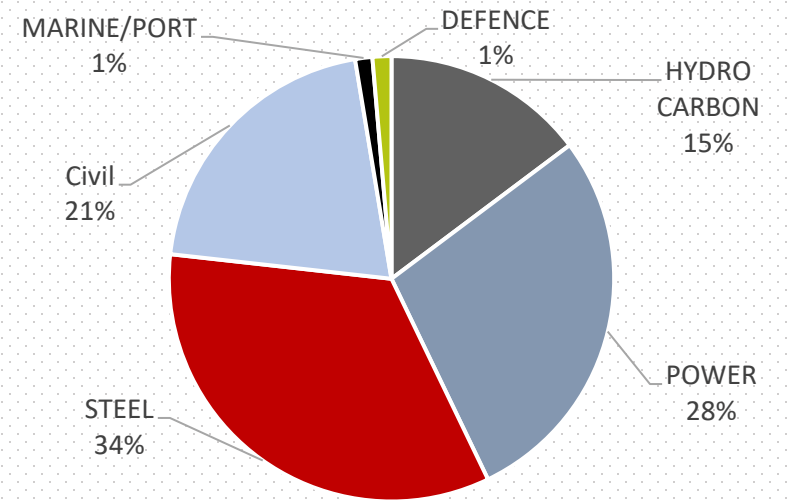
Ports, jetties/
marine/
Defence



Steel Plant
Equipment's



Order Book (Sector-Wise) As of 31st March 2023



- Sustainable Operating Margins
- Mitigating Cyclicity in Order Inflow
- Opens Doors to Sunrise Industries

Diversified Product Mix

Broad-Based Clientele



Punj Lloyd



Technology Partners



Sector / Industry

Marine / Ports / Defence

Steel / Oil & Gas / Chemicals

Marine / Defence

LSIL has an in-house designing team which has successfully executed numerous projects, However, some projects require more specific technological know-how, and LSIL has technological tie-ups which further enhance the company's product offerings. Such tie-ups seamlessly blend with the company's offerings and enhance overall value for the client. These tie-ups have been aiding in making inroads into new sectors and products on a consistent basis.

Certifications & Approvals



CERTIFICATE OF AUTHORIZATION

The named company is authorized by the American Society of Mechanical Engineers (ASME) for the scope of activity shown below in accordance with the applicable rules of the ASME Boiler and Pressure Vessel Code. The use of the ASME Certification Mark and the authority granted by this Certificate of Authorization are subject to the provisions of the agreement set forth in the application. Any construction stamped with the ASME Certification Mark shall have been built strictly in accordance with the provisions of the ASME Boiler and Pressure Vessel Code.

COMPANY:

LLOYDS STEELS INDUSTRIES LTD.
A-6/3, MIDC Industrial Area,
Mumbai, Dist. Thane,
Maharashtra 421401
India

SCOPE:

Manufacture and assembly of power boilers at the above location and field sites controlled by the above location

AUTHORIZED: December 26, 2020
EXPIRES: December 26, 2023
CERTIFICATE NUMBER: 55691

David E. Tuttle
Board Chair, Conformity Assessment

Paul Bhat
Managing Director, Conformity Assessment

CERTIFICATE OF AUTHORIZATION

The named company is authorized by the American Society of Mechanical Engineers (ASME) for the scope of activity shown below in accordance with the applicable rules of the ASME Boiler and Pressure Vessel Code. The use of the ASME Certification Mark and the authority granted by this Certificate of Authorization are subject to the provisions of the agreement set forth in the application. Any construction stamped with the ASME Certification Mark shall have been built strictly in accordance with the provisions of the ASME Boiler and Pressure Vessel Code.

COMPANY:

LLOYDS STEELS INDUSTRIES LTD.
A-6/3, MIDC Industrial Area,
Mumbai, Dist. Thane,
Maharashtra 421401
India

SCOPE:

Manufacture of pressure vessels at the above location and field sites controlled by the above location (This authorization does not cover impregnated graphite)

AUTHORIZED: December 26, 2020
EXPIRES: December 26, 2023
CERTIFICATE NUMBER: 55692

David E. Tuttle
Board Chair, Conformity Assessment

Paul Bhat
Managing Director, Conformity Assessment

CERTIFICATE OF AUTHORIZATION

The named company is authorized by the American Society of Mechanical Engineers (ASME) for the scope of activity shown below in accordance with the applicable rules of the ASME Boiler and Pressure Vessel Code. The use of the ASME Certification Mark and the authority granted by this Certificate of Authorization are subject to the provisions of the agreement set forth in the application. Any construction stamped with the ASME Certification Mark shall have been built strictly in accordance with the provisions of the ASME Boiler and Pressure Vessel Code.

COMPANY:

LLOYDS STEELS INDUSTRIES LTD.
A-6/3, MIDC Industrial Area,
Mumbai, Dist. Thane,
Maharashtra 421401
India

SCOPE:

Manufacture of Class 1 and Class 2 pressure vessels at the above location and field sites controlled by the above location

AUTHORIZED: December 26, 2020
EXPIRES: December 26, 2023
CERTIFICATE NUMBER: 55693

David E. Tuttle
Board Chair, Conformity Assessment

Paul Bhat
Managing Director, Conformity Assessment

GOVERNMENT OF MAHARASHTRA
LABOUR DEPARTMENT
DIRECTORATE OF STEAM BOILERS
Kamgar Bhawan 7th floor, Plot No. C-20,
Block - E, Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051

Phone No. 022 - 26571201/1304/1352
Fax: 022 - 26571283

E-mail: dlab.mumbai@maharashtra.gov.in www.mahaboller.in <http://www.mahaboller.in>

Reference No: SB-SANSK/2022/10002257
Dated: 18-02-2022

To,
LLOYDS STEELS INDUSTRIES LIMITED
PLOT NO. A 5 BY 5, MIDC INDUSTRIAL AREA,
NEAR MURBAD BUS DEPOT, MURBAD,
KALYAN, KALYAN, THANE, 421401

Sub - Renewal of approval as a "Pressure Vessel Manufacturer, Class 1 (Pressure upto 125 kg/cm²)" as per Indian Boiler Regulations, 1950 and its latest amendments.

Ref - Your online application vide ID 100003162175 dt.02-12-2021

Gentlemen,

With reference to your online application vide 100003162175, dated 02-12-2021, on above subject, I have to inform you that your approval as "Pressure Vessel Manufacturer, Class 1 (Pressure upto 125 kg/cm²)" as per Indian Boiler Regulation 1950 and its latest amendments is renewed upto to 31st December 2022, subject to conditions laid down in letter of approval.

You are informed to submit your next application for renewal at least **One month** before the expiry date.

Validity unknown
Digitally Signed by (Government of Maharashtra)
Date: 18-Feb-2022 14:03:17

Yours faithfully,
(Dhawal Prakash Antapurkar)
Director of Steam Boilers,
Maharashtra State, Mumbai

GOVERNMENT OF MAHARASHTRA
LABOUR DEPARTMENT
DIRECTORATE OF STEAM BOILERS
Kamgar Bhawan 7th floor, Plot No. C-20,
Block - E, Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051

Phone No. 022 - 26571201/1304/1352
Fax: 022 - 26571283

E-mail: dlab.mumbai@maharashtra.gov.in www.mahaboller.in <http://www.mahaboller.in>

Reference No: SB-SANSK/2022/10001590
Dated: 04-01-2021

To,
LLOYDS STEELS INDUSTRIES LTD.
PLOT NO. A 5 BY 5, MIDC INDUSTRIAL AREA,
NEAR MURBAD BUS DEPOT, MURBAD,
KALYAN, KALYAN, THANE, 421401

Sub - Renewal of approval as a "Pipe Fabricator, Class 1 (Pressure 125 kg/cm²)" as per Indian Boiler Regulations, 1950 and its latest amendments.

Ref - Your online application vide ID 100001542075 dt.26-11-2020

Gentlemen,

With reference to your online application vide 100001542075, dated 26-11-2020, on above subject, I have to inform you that your approval as "Pipe Fabricator, Class 1 (Pressure 125 kg/cm²)" as per Indian Boiler Regulation 1950 and its latest amendments is renewed upto to 31st December 2022, subject to conditions laid down in letter of approval.

You are informed to submit your next application for renewal at least **Two month** before the expiry date.

Validity unknown
Digitally Signed by (Government of Maharashtra)
Date: 04-Jan-2021 14:03:17

Yours faithfully,
(Dhawal Prakash Antapurkar)
Director of Steam Boilers,
Maharashtra State, Mumbai

GOVERNMENT OF MAHARASHTRA
LABOUR DEPARTMENT
DIRECTORATE OF STEAM BOILERS
Kamgar Bhawan 7th floor, Plot No. C-20,
Block - E, Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051

Phone No. 022 - 26571201/1304/1352
Fax: 022 - 26571283

E-mail: dlab.mumbai@maharashtra.gov.in www.mahaboller.in <http://www.mahaboller.in>

Reference No: SB-SANSK/2022/10002288
Dated: 18-02-2022

To,
LLOYDS STEELS INDUSTRIES LIMITED
PLOT NO. A 5 BY 5, MIDC INDUSTRIAL AREA,
NEAR MURBAD BUS DEPOT, MURBAD,
MURBAD, MURBAD, THANE, 421401

Sub - Renewal of approval as a "Heat Exchanger Manufacturer, Class 1 (Pressure upto 125 kg/cm²)" as per Indian Boiler Regulations, 1950 and its latest amendments.

Ref - Your online application vide ID 100003142175 dt.02-12-2021

Gentlemen,

With reference to your online application vide 100003142175, dated 02-12-2021, on above subject, I have to inform you that your approval as "Heat Exchanger Manufacturer, Class 1 (Pressure upto 125 kg/cm²)" as per Indian Boiler Regulation 1950 and its latest amendments is renewed upto to 31st December 2022, subject to conditions laid down in letter of approval.

You are informed to submit your next application for renewal at least **One month** before the expiry date.

Validity unknown
Digitally Signed by (Government of Maharashtra)
Date: 18-Feb-2022 14:03:17

Yours faithfully,
(Dhawal Prakash Antapurkar)
Director of Steam Boilers,
Maharashtra State, Mumbai

GOVERNMENT OF MAHARASHTRA
LABOUR DEPARTMENT
DIRECTORATE OF STEAM BOILERS
Kamgar Bhawan 7th floor, Plot No. C-20,
Block - E, Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051

Phone No. 022 - 26571201/1304/1352
Fax: 022 - 26571283

E-mail: dlab.mumbai@maharashtra.gov.in www.mahaboller.in <http://www.mahaboller.in>

Reference No: SB-SANSK/2022/10002256
Dated: 18-02-2022

To,
LLOYDS STEELS INDUSTRIES LIMITED
PLOT NO. A 5 BY 5, MIDC INDUSTRIAL AREA,
NEAR MURBAD BUS DEPOT, MURBAD,
KALYAN, KALYAN, THANE, 421401

Sub - Renewal of approval as a "Boiler Manufacturer, Class 1 (BOILER MANUFACTURER PRESSURE UPTO 125 KG/CM²)" as per Indian Boiler Regulations, 1950 and its latest amendments.

Ref - Your online application vide ID 100003112175 dt.02-12-2021

Gentlemen,

With reference to your online application vide 100003112175, dated 02-12-2021, on above subject, I have to inform you that your approval as "Boiler Manufacturer, Class 1 (BOILER MANUFACTURER PRESSURE UPTO 125 KG/CM²)" as per Indian Boiler Regulation 1950 and its latest amendments is renewed upto to 31st December 2022, subject to conditions laid down in letter of approval.

You are informed to submit your next application for renewal at least **One month** before the expiry date.

Validity unknown
Digitally Signed by (Government of Maharashtra)
Date: 18-Feb-2022 14:03:17

Yours faithfully,
(Dhawal Prakash Antapurkar)
Director of Steam Boilers,
Maharashtra State, Mumbai

More than Four Decades of Experience



Shri. Mukesh R. Gupta
Chairman & Whole Time Director

A Commerce Graduate and successful Industrialist having a piece of vast knowledge and rich experience of over 40 years in various Industries such as Steel, Engineering, Power, Finance, Consumer Related, and Construction. He is the Founder and Board Member of Lloyds Group.



Mr Shree Krishna Gupta
Executive Vice President

Krishna has great experience as an entrepreneur and has successfully started and created two brands in very dynamic industries. He has been awarded three '30 under 30' awards for Forbes India, Forbes Asia and Business World India. He is taking LSIL into the next phase by building teams and creating processes for sustained development.



Mr Kalpesh Agrawal
CFO

A Commerce Graduate and a Qualified Chartered Accountant. He is having more than 19 years of experience in the Engineering sector His expertise is across all areas of Finance and Accounts. He plays an important role in formulating the company's future direction by providing input on the company's business plan, financial and tax strategies, budgeting, and forecasting.



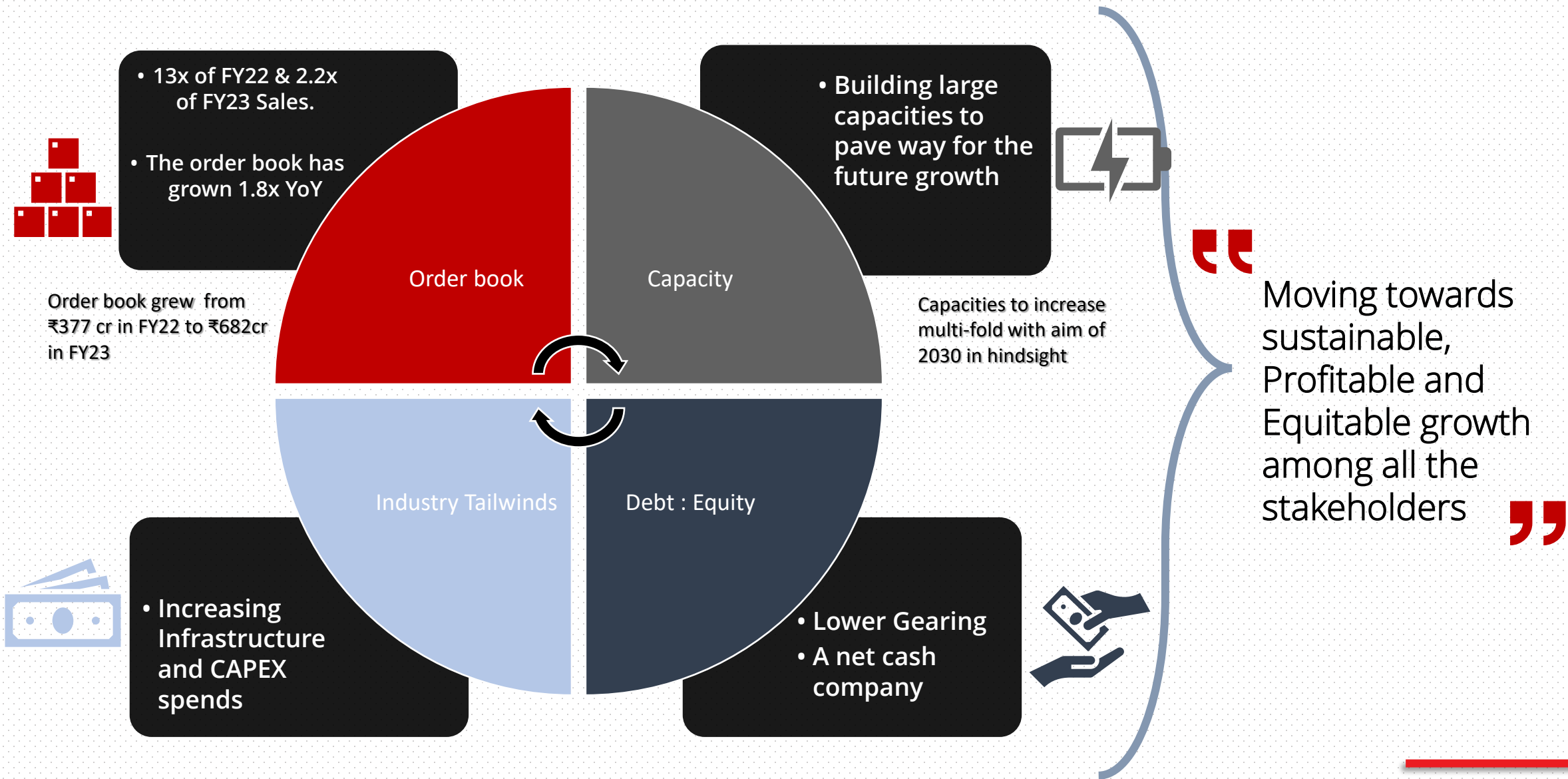
Mr Sudhir Kumar Dwivedi
COO

A Bachelor of Industrial Engineering from IIT Roorkee with Honours. Vast experience of 33 years in the Heavy Engineering industry with a proven track record in the optimization of organisational resources and product diversification. He has taken LSIL to the doorsteps of new industries thereby aiding diversification to a large extent?

Investing in Lloyd Steels



Investing in Lloyds Steels: Sustainability, Profitability and Quality of Growth



Order Book Movement (₹ Crores)

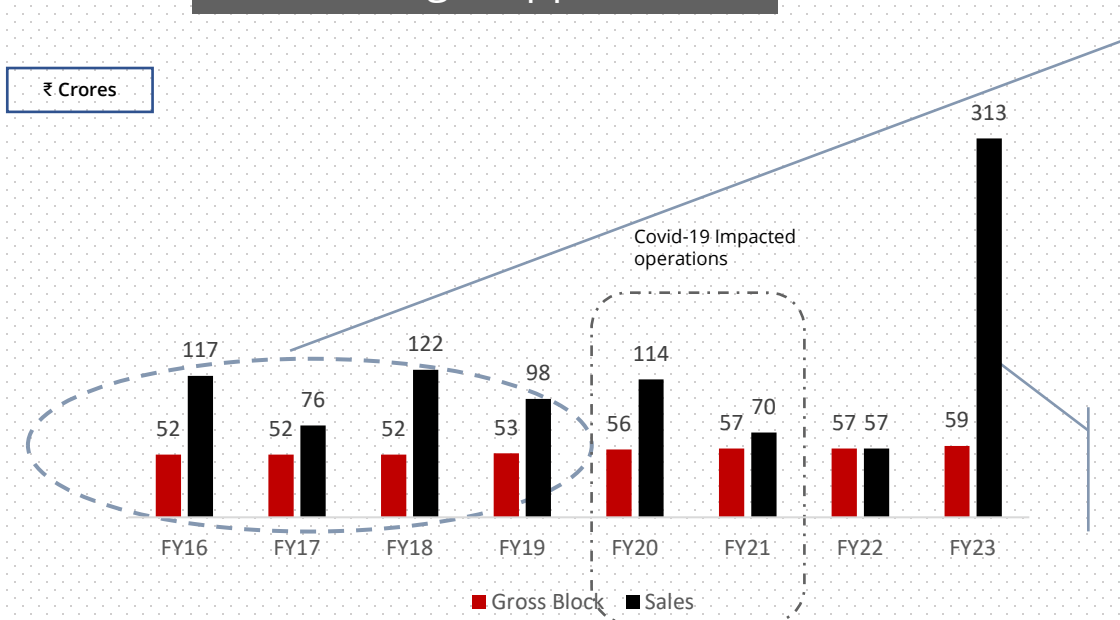


- Order book as on March-23 is ₹683 cr, which is ~2.2x of FY23 Revenue.
- Order book has grown by ~1.8x YoY in FY23
- LSIL started FY22 with a strong order book and was further boosted by strong order inflows in FY23
- It offers **strong revenue visibility** for the company as the typical delivery schedule is 10-15 months
- The increasing order book across sectors and better profit margins will enable us to **strengthen our key financial matrices** in the medium to long term.

With a larger base of the order book to begin FY24; the roadmap is quite steady to deliver higher growth in the coming years. The company plans to further growth systematically to build over the larger base

- LSIL has already begun enhancing its capacities.
- LSIL has already spent ₹40 cr in FY23
- Plans to further spent ₹50 crore during FY24 for capacity enhancement.
- Capacity expansion of ~2x underway, thus providing solid headroom to grow.
- Modernising & overhauling the asset base to deliver superior growth. Enhancing & Enabling technologies to increase the throughput

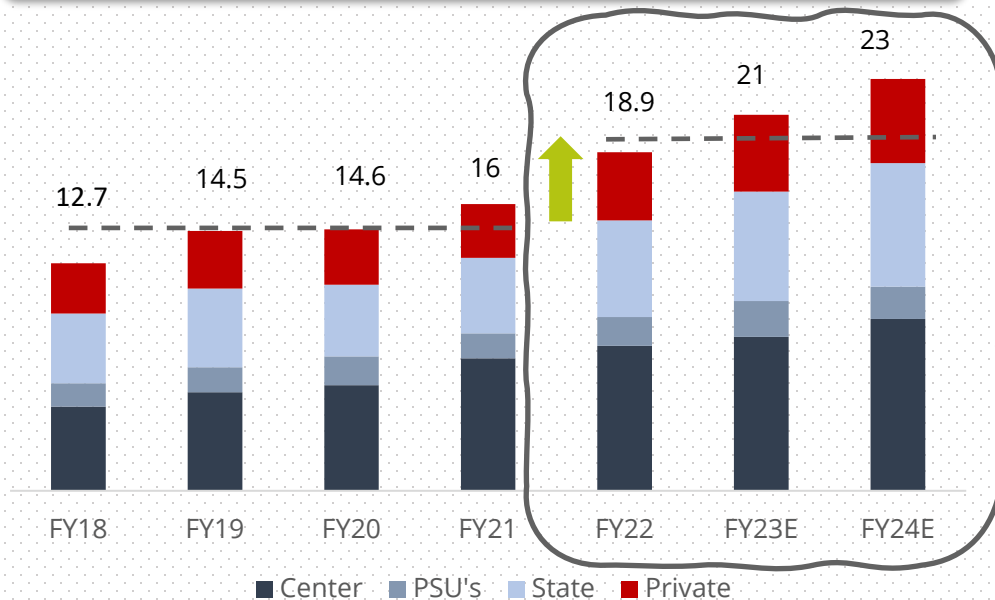
An Asset Light approach



The company has been consistently operating with an asset turnover of more than 2x. However, company assets can operate at an asset T/O of 3x-5x over a longer period of time

Aiming to continue the FY23 throughput going ahead

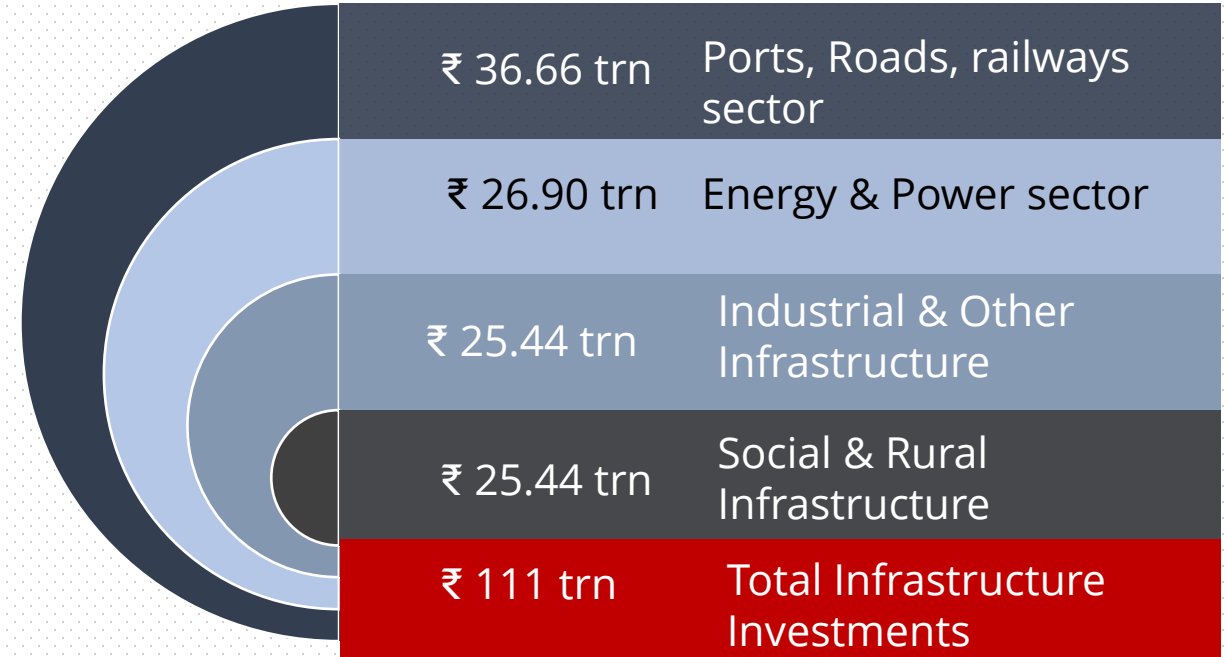
Capex : On a structural upswing (₹ trn)



Advantage Lloyds Steels

The manufacturing sector in India is anticipated to grow more than six times by 2025, reaching USD 1 trillion, as a result of the country's growing demand and the aim of international manufacturing corporations to diversify their production by establishing low-cost factories outside of China. India is about to embark on a multi-year CAPEX cycle driven by government-funded infrastructure, similar to FY 2003–12. Projects totalling \$356 billion could be awarded in FY22–23, with government-financed infrastructure (\$277 billion), privately funded infrastructure (\$51 billion), real estate (\$21 billion), and industries (\$8 billion) leading the way.

National Infrastructure Pipeline to unleash mega opportunities (FY20-25)



Aiming towards higher returns...

Strategy over the next 5-7 years

Order Book

Company aims to grow the order book at a much faster pace from hereon considering growth visible in the CAPEX cycle across Industries

Besides the current Order book of ₹682 cr, the company has a strong order pipeline of ₹220 cr, which is under various stages of discussion.

Execution

The company is well-calibrated to execute orders within 10-15 months.

The company has built in the requisite manpower and capacities to meet its FY24 targets

Building adding further strength to meet its 2030 targets

Profitability

As the offerings are customised according to clientele needs, profitability is expected to remain more sustainable, and consistent going ahead

Executing orders from sectors like Defence, steel is expected to bring in better returns

Vision

2025

Revenue ₹600+ cr
EBITDA Margins: 14-16%

2030

Revenue ₹1000 cr +
EBITDA margins 17-18%

To be established as an advanced and critical equipment manufacturing company, giving complete solutions to various industries in a customised manner.





Financials

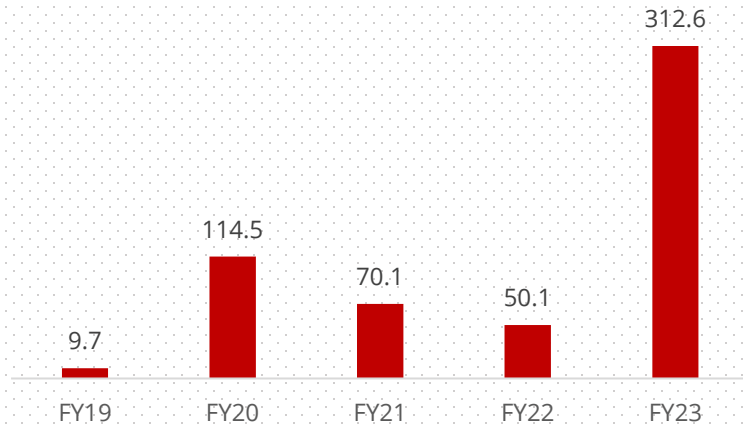
Financials At a Glance



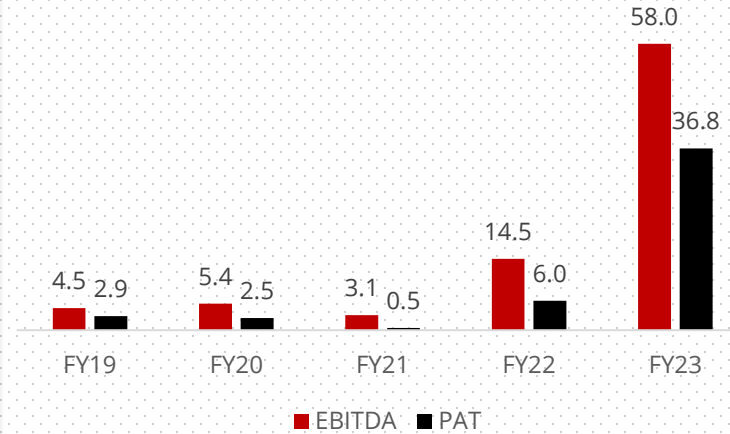
₹ Crores

Annual

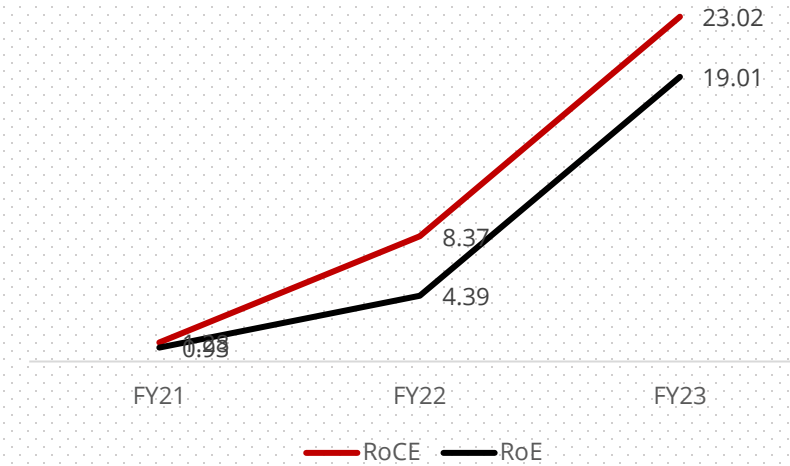
Revenue



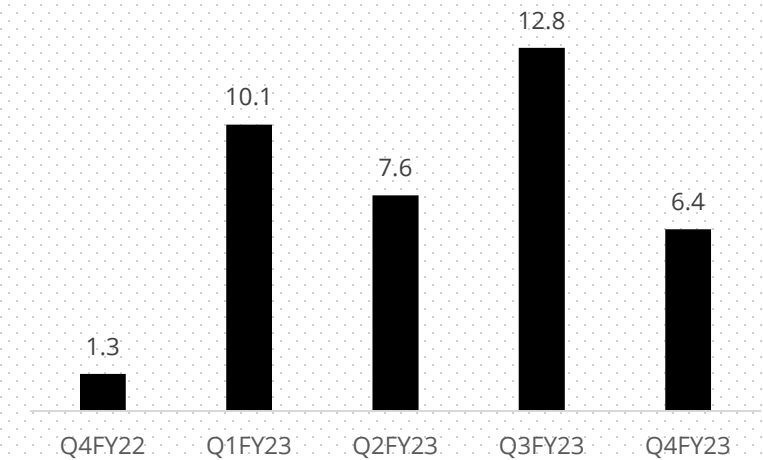
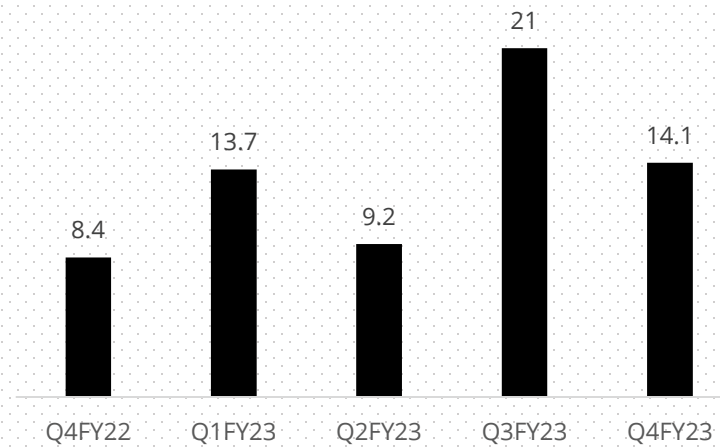
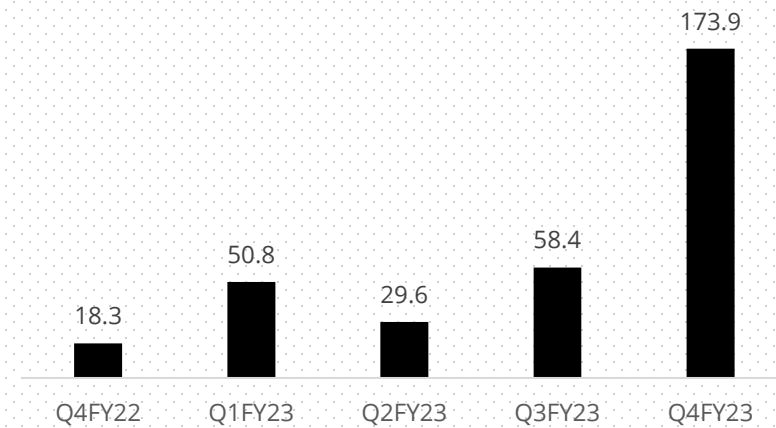
EBITDA & PAT



Return Ratios (%)



Quarterly

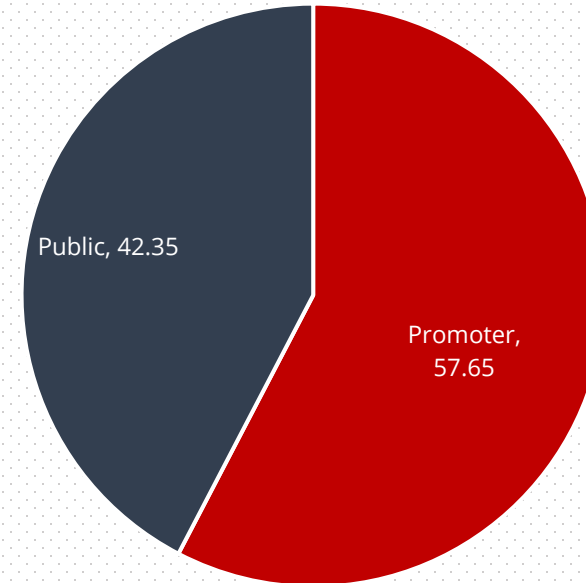


*EBITDA includes Other Income

Price Movement (₹)



Shareholding as of 31st March 2023 (%)



Particulars	
Number of shares	98.86 crore shares
Exchange	NSE: LSIL BSE : LLOYDSTEEL, 539992
Market cap (as on 31 st Mar-23)	₹ 2135 crore
Face Value	₹ 1.0



Q4 & FY23

Q4 & FY23 – Result Analysis

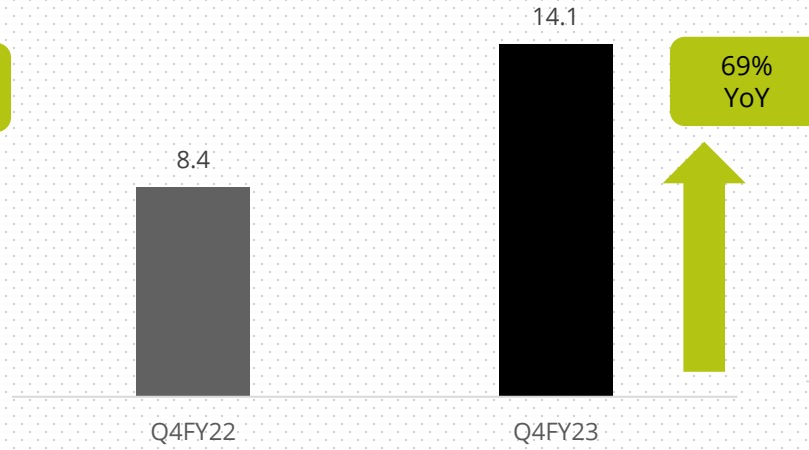


Revenue

Quarterly



EBITDA

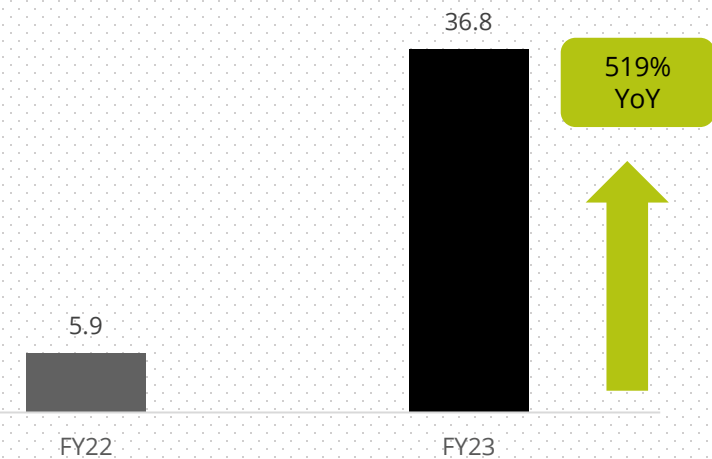
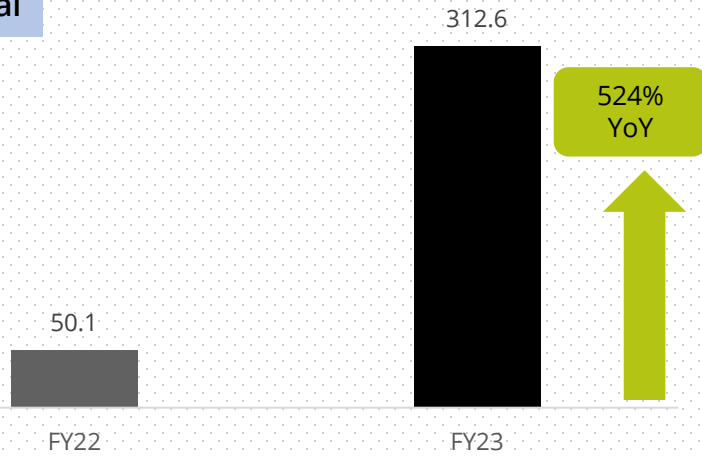


PAT



₹ Crores

Annual



- Revenue for Q4FY23 & FY23 exhibited a growth of ~10x and ~6xYoY respectively backed by solid execution of orders. Strong order inflows coupled with swift execution helped the company to report such robust growth.
- EBITDA for Q4FY23 grew to ₹14.13 cr from ₹8.37 cr ; for FY23 EBITDA grew to ₹58.04cr from ₹14.46 cr in FY22. Margins For FY23 stood at 18.23%. Timely booking of raw materials and better productivity led to such healthy margins
- Order Book as of 31st March 2023 stood at ₹682 cr. The order book for the company has grown by ~1.8x YoY, with ₹608 cr of fresh orders.** The order book is well balanced amongst various sectors. The company received various civil orders during H2FY23 and executed them swiftly, resulting in higher Revenue. A healthy inflow is expected to continue its momentum, imparting sufficient visibility to the company's earnings.
- Order book as of date is ~13x of its FY22 sales and ~2.2x of FY23 sales.** Despite solid execution in FY23 order book remains healthy.
- Company remains Net Debt-free**, which further exhibits the company's inherent strength of execution and operations.
- Ongoing Capex plans are progressing well. Such enhanced capacities will be shot in the arm of the company's execution capacities.
- In view of the rebranding of the Company, the Board approved a change in the name of the Company from "**Lloyds Steels Industries Limited**" to "**Lloyds Engineering Works Limited**" or any other suitable name, subject to availability and all other necessary approvals.



Commenting on FY23 results **Mr Mukesh Gupta, Chairman** said: *"FY23 results are a big reflex of our team's benign efforts. Our Revenue & Profitability both witnessed multifold growth of 6x YoY. Such growth was led by an all-around performance. A strong push by Govt on reviving the CAPEX cycle in India through various initiatives like PLI etc led the strong momentum in the sector. We started FY23 on a strong foot with an order book of ₹377 cr, during the year company received orders worth ₹608 cr which itself was higher by ~1.6x of the opening order book. This demonstrates underlying strength in our operations. Besides, solid growth in the order book of ~1.8x YoY, our execution of orders remained swift. This brings a great amount of sustainability in our earnings going ahead. Such strong underlying strengths impart great confidence in our growth story going ahead.*

Our order book is well diversified across all sectors giving us the advantage of being balanced and widespread across various industries. Our Company has partly expanded its capacities and is further looking to expand to accommodate a firmly growing order book. Our endeavour remains to supply customised engineering solutions to customers in a most time-bound and cost-efficient manner. Moreover, our Balance sheet strength of being Net Debt Free further strengthens our quality of growth. We thus believe we are poised for an interesting journey ahead."



Q4 & FY23 – Profit & Loss

Particulars (₹ crores)	Q4FY23	Q4FY22	YoY	FY23	FY22	YoY
Revenue	173.85	18.25	853%	312.61	50.10	524%
Other Income	1.25	1.12	12%	5.80	9.75	-41%
RM consumed	143.15	-0.29	N.A	188.15	10.95	N.A
Employee	5.81	3.18	83%	19.06	13.81	38%
Other expenses	12.00	8.11	48%	53.15	20.62	158%
EBITDA	14.13	8.37	69%	58.04	14.46	301%
EBITDA Margin (%)	8.07	43.20		18.23	24.17	
Depreciation	0.77	0.35	122%	2.38	1.34	78%
EBIT	13.36	8.02		55.66	13.13	324%
Interest	1.25	0.60	106%	3.94	1.02	287%
Exceptional	0.00	0.00		2.50	0.00	
PBT	12.11	7.41	63%	49.22	12.11	307%
Tax	5.70	6.16		12.40	6.16	101%
PAT	6.42	1.25	413%	36.82	5.95	519%
Basic EPS (₹)	0.28	0.01		0.38	0.07	

Particulars (₹ Crores)	FY2022	FY2023
Fixed Assets	9.23	27.07
Capital Work In Progress	3.74	25.55
Goodwill	0.96	0.96
Right To Use	3.76	5.30
Other Assets	11.75	3.28
Sub-Total Non Current Assets	29.44	62.17
Inventories	48.85	114.58
Trade Receivables	9.83	29.09
Cash & Cash Equivalents	24.59	8.07
Other current Assets	81.41	156.93
Sub- Total Current Assets	164.69	308.68
Total Assets	194.13	370.85
Share Capital	89.87	98.87
Other Equity	45.37	96.49
Total Equity	135.24	195.36
Borrowings	18.86	0.43
Other Liabilities	7.93	8.56
Current Liabilities	32.09	166.50
Total Liabilities	194.13	370.85

Thank You