



LLOYDS STEELS INDUSTRIES LIMITED

**22ND ANNUAL REPORT
2015-2016**

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF M/S LLOYDS STEELS INDUSTRIES LIMITED

Report on the Financial Statements

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, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information

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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence, on a test basis, about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair

presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal financial control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2016 ("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 purposes 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 Balance Sheet, the Statement of Profit and Loss and the Cash flow statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as



on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;

- f) 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"; and
- g) 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:
 - i. The Company does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
 - iii. No amounts were required to be transferred to the Investor Education and Protection Fund by the Company

For **Todarwal & Todarwal**

Chartered Accountants

ICAI Reg. No : 111009W



Sunil L Todarwal

Partner

M. No. : 32512

Dated : 19th May, 2016

Place: Mumbai

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 2016, we report that:

- (i) (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) According to the information and explanation given to us, fixed assets are physically verified by the management according to a phased programme 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 explanation given to us and based on the records produced before us, the title deeds of immovable properties are held in the name of the company.
- (ii) 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.
- (iii) According to the information and explanation given to us, the Company has not granted any secured or unsecured loans to companies, firms, parties covered in the register maintained under Section 189 of the Act.
- (iv) According to the information and explanation given to us, we are of the opinion that in respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- (v) According to the information and explanation given to us, the company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and the rules framed there under.
- (vi) According to the information and explanation given to us, the Company has maintained cost records as specified by the Central Government under sub-section (1) of section 148 of the Act

- (vii) (a) According to the books and records as produced and audited by us in accordance with generally accepted auditing practices in India and also Management representations, undisputed statutory dues in respect of Provident fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth tax, Service tax, Custom duty, Excise duty, Value Added Tax, Cess and other statutory dues, if any, applicable to it, has been regularly deposited with the appropriate authorities.
- (b) According to the information and explanation given to us and the record produced before us, there is no disputed amount payable in case of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax or cess.
- (viii) According to the information and explanation given to us and based on the records produced before us, the company has not defaulted in repayment of dues to a financial institution, bank, Government or dues to debenture holders.
- (ix) According to the information and explanation given to us and the record produced before us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
- (x) 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 by its officers or employees, either noticed or reported during the year, nor have we been informed of such case by the Management.
- (xi) According to the information and explanation given to us and the record produced before us, the Company has paid managerial remuneration during the year. The provisions of section 197 read with Schedule V to the Act has been complied.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company as specified in the Nidhi Rules, 2014. Hence the provision of this clause is not applicable to the company.
- (xiii) According to the information and explanation given to us and the record produced before us, all transactions with the related parties are in with sections 177 and 188 of Companies Act, 2013 compliance where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) According to the information and explanation given to us and the record produced before us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence the provision of this clause is not applicable to the company.



- (xv) As per the information and explanation given to us and the record produced before us, the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Todarwal & Todarwal
Chartered Accountants
ICAI Reg No : 111009W



Sunil L Todarwal
Partner
M. No. : 32512
Dated : 19th May, 2016
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 Lloyds Steels Industries Limited ("the Company") as of 31 March 2016 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 that, in reasonable detail, accurately and fairly reflect 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 Control over Financial Reporting were operating effectively as at 31 March 2016, 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**
Chartered Accountants
ICAI Reg No : 111009W

Sunil L Todarwal
Partner
M. No. : 32512
Dated : 19th May, 2016
Place: Mumbai



LLOYDS STEELS INDUSTRIES LIMITED**Balance sheet as at 31st March, 2016.****(Rs. in lacs)**

	Notes No.	As at 31st March 2016	As at 31st March 2015
Equity and liabilities			
Shareholders' funds			
Share capital	2	8,986.98	5.00
Reserves and surplus	3	313.89	9,136.25
		9,300.87	9,141.25
Non-current liabilities			
Long-term borrowings	4	14.49	33.84
Long-term provisions	5	346.21	317.72
		360.70	351.56
Current liabilities			
Trade payables	6	6,932.07	24,168.02
Other current liabilities	6	40,248.04	58,809.74
Short-term provisions	5	25.23	84.20
		47,205.34	83,061.96
TOTAL		56,866.91	92,554.77
Assets			
Non-current assets			
Fixed assets			
Tangible assets	7	1,160.58	1,211.47
Intangible assets	7	95.98	-
Long-term loans and advances	8	12.03	4.68
		1,268.60	1,216.14
Current assets			
Inventories	9	5,749.29	6,898.56
Trade receivables	10	32,862.23	28,724.01
Cash and bank balances	11	1,884.87	1,959.59
Short-term loans and advances	8	15,101.92	53,756.48
		55,598.31	91,338.64
TOTAL		56,866.91	92,554.77
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Todarwal & Todarwal

ICAI Firm Registration No. 111009W

Chartered Accountants

Sunil Todarwal

Partner

Membership No : 32512

**For and on behalf of the Board of Directors**

Ashok Tandon

Managing Director

DIN : 00028301

Vishal Agarwal

Director

DIN: 00168370

P R Ravi Ganesan

CFO & Company Secretary

Place: Mumbai

Date : 19th May, 2016

LLOYDS STEELS INDUSTRIES LIMITED**Statement of profit and loss for the year ended 31st March, 2016**

(Rs. in lacs)

	Notes No.	For the year ended 31 st March 2016	For the year ended 31 st March 2015
Continuing operations			
Income			
Revenue from operations (gross)	12	12,409.80	53,729.07
Less : Excise duty		741.41	2,683.10
Revenue from operations (net)		11,668.39	51,045.96
Other income	13	825.82	895.92
Total revenue (I)		12,494.21	51,941.88
Expenses			
Cost of raw material consumed	14	4,259.16	18,221.90
Purchase of traded goods		936.21	23,503.08
Changes in inventories of Finished goods ,Work-in-progress and Stock-in-Trade	15	1,160.95	3,828.25
Employee benefits expense	16	1,257.46	1,201.37
Other expenses	17	4,233.21	2,522.87
Total Expenses (II)		11,846.99	49,277.47
Earnings before interest, tax, depreciation and amortization (EBITDA) (I-II)		647.22	2,664.42
Depreciation and amortization expense	18	147.40	147.70
Finance costs	19	436.19	2,251.34
Profit/(Loss) before exceptional items and tax		63.63	265.37
Exceptional items		-	-
Profit/(Loss) before tax		63.63	265.37
Tax expenses			
Current tax		-	-
Deferred tax		-	-
Total tax expense		-	-
Profit/(Loss) for the year		63.63	265.37
Earnings per equity share [nominal value of share Re 1 (Re 1)]			
Basic & Diluted (before Exceptional items)	22	0.01	0.03
Basic & Diluted (after Exceptional items)		0.01	0.03
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Todarwal & Todarwal

ICAI Firm Registration No. 111009W

Chartered Accountants



Sunil Todarwal

Partner

Membership No : 32512

**For and on behalf of the Board of Directors**

 Ashok Tandon
Managing Director

DIN : 00028301


 Vishal Agarwal
Director

DIN: 00168370



P R Ravi Ganesan

CFO & Company Secretary

Place: Mumbai

Date : 19th May, 2016

LLOYDS STEELS INDUSTRIES LIMITED
CASH FLOW STATEMENT

(Rs. in lacs)

Particulars	Period Ended 31.03.2016	Year Ended 31.03.2015
A. CASH FLOW FROM OPERATION ACTIVITIES :		
Profit/(Loss) before Tax	63.63	265.37
Adjustments For:		
Depreciation and Amortization Expenses	147.40	147.70
Loss on Fixed Assets Sold/Discarded (Net)	-	10.96
Interest Income	(126.60)	(118.76)
Interest & Finance Charges	436.19	2,251.34
Unrealized Exchange (gain) /Loss (net)	(41.73)	(18.15)
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	478.89	2,538.46
Movements in Working Capital		
Decrease/(Increase) in Inventories	1,149.27	3,758.42
Decrease/(Increase) in Trade and Other receivables	34,234.08	(33,328.06)
(Decrease)/Increase in Trade Payable and other liabilities	(35,805.76)	28,565.41
CASH GENERATED FROM/(USED IN) OPERATIONS (A)	56.48	1,534.23
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Decrease/(Increase) in Fixed Assets, Including Cwip and Capital Advances	(96.51)	942.67
Proceeds from Sale of Fixed Assets	-	0.25
Interest Received	126.60	118.76
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES (B)	30.09	1,061.68
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Interest and Finance Charges	(436.19)	(2,251.34)
NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES (C)	(436.19)	(2,251.34)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(349.61)	344.57
Cash and cash equivalent at the beginning of the Period	687.86	343.29
Cash and cash equivalent at the end of the Period	338.25	687.86
Net increase/(decrease) in cash and cash equivalents	(349.61)	344.57
Components of cash and cash equivalents		
Cash on hand (Including Cheques/Draft on hand)	7.95	3.09
Balance with Bank in		
Balance with Schedule Banks in : Current accounts	330.30	684.77
In Margin Account (Including FDR)	1,546.62	1,271.72
Cash and Bank balances as per Notes 11	1,884.87	1,959.59
Less: Margin money not considered as cash and cash equivalent in cash flow	1,546.62	1,271.72
Total cash and cash equivalents	338.25	687.86

Notes:

- 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.
- Cash and cash equivalents represent cash and bank balances including current account, if any
- Previous year's figures have been regrouped/reclassified wherever applicable.
- Figures in brackets represent outflows.

As per our report of even date
For Todarwal & Todarwal
ICAI Firm Registration No. 111009W
Chartered Accountants



Sunil Todarwal
Partner
Membership No : 32512



For and on behalf of the Board of Directors


Ashok Tandon
Managing Director
DIN : 00028301


Vishal Agarwal
Director
DIN: 00168370


P R Ravi Ganesan
CFO & Company Secretary

Place: Mumbai
Date : 19th May, 2016

LLOYDS STEELS INDUSTRIES LIMITED

Notes to Financial Statements for the year ended 31st March 2016.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Accounting

The company maintains its accounts on accrual basis following the historical cost convention, except for the revaluation of certain fixed assets, in accordance with generally accepted accounting principles in India (Indian GAAP) in compliance of the provisions of the Companies Act, 2013 and the Accounting Standards as specified in the companies (Accounting Standards) Rules, 2006 read with Rules 7(1) of the Companies (Accounts) Rules, 2014 issued by the Ministry of Corporate Affairs in respect of section 133 of the Companies Act 2013. Further, the guidance notes / annoucements issued by The Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable except to the extent where compliance with other statutory promulgations overright the same requiring a different treatment. The preparation of financial statements in conformity with GAAP requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful life of tangible and intangible fixed assets, allowance for doubtful debts / advances, future obligations in respect of retirement benefit plans, etc, difference of any between the actual results and estimates is recognised in the period in which the results are known. Further, insurance & other claims, on the ground of prudence or uncertainty in realisation, are accounted for as and when accepted / received. The accounting policies adopted in the preparation of financial statements are consistent with those used in the previous year.

b. 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 cashflow statement has been prepared and presented as per the requirements of Accounting Standard (AS - 3) "Cashflow Statements". 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 alongwith the other notes required to be disclosed under the notified accounting standards and the equity listing agreement. Amounts in the financial statement are presented in Indian rupees in lacs.

Significant accounting policies

a) System of Accounting

The financial statements are prepared under the historical cost convention and comply in all material aspects with the applicable accounting principles in India, accounting standards notified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013. The Company accrues individual items of Income/Expenses above Rs. 5,000/- per item.

b) Fixed assets

(i) Fixed Assets are valued at cost (net of CENVAT), unless revalued, for which proper disclosure is made.

(ii) 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.



c) Depreciation

Depreciation on fixed assets is provided on depreciable value of assets using straight-line method on the basis of useful life specified in Schedule II to the Companies Act, 2013. Assets individually costing Rs. 5000/- or less are depreciated fully in the year of purchase.

d) Revenue Recognition

Sales/Income 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.

e) Excise duty

Excise duty payable on finished goods despatches is accounted on the clearance thereof from the factory premises. Excise Duty is provided on the finished goods if any, lying at the factory premises and not yet despatched at the year end as per Accounting Standard 2 (Valuation of Inventories).

f) Custom duty

Customs Duty payable on imported raw materials, components and stores and spares is recognized to the extent assessed by the customs department.

g) Custom duty benefit

Customs duty entitlement eligible under pass book scheme / DEPB 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.

h) Lease Rentals

Lease rentals are expensed with reference to lease terms.

i) Inventories

The general practice adopted by the company for valuation of inventory is as under:-

i) Raw Materials	:*	At lower of cost and net realizable value.
ii) Stores and spares	:	At cost
iii) Work-in-process/semi-finished goods	:	At cost.
iv) Engineering Plant Finished Goods	:	At lower of cost and market value.
v) Finished Goods/Traded Goods	:	At lower of cost and market value.
vi) Scrap material	:	At net realizable value.
vii) 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.



j) Research and development expenses

Research and Development costs (other than cost of fixed assets acquired) are expensed in the year in which they are incurred.

k) Provision for Gratuity

Provision for Gratuity is made on the basis of actuarial valuation based on the provisions of the Payment of Gratuity Act, 1972. The same is recognized in the Statement of profit & loss.

l) Provision for Leave encashment

Provision for Leave encashment is made on the basis of actuarial valuation at the end of the year. The same is recognized in the Statement of profit & loss.

m) Investments

Investments if any, are valued at cost of acquisition which includes charges such as brokerage, fees and levies.

n) Amortization of expenses

- i) Equity Issue expenses : Expenditure incurred in equity issue is being treated as Deferred Revenue Expenditure to be amortised over a period of 5 years.
- ii) Debenture Issue Expenses : Debenture Issue Expenditure is amortised over the period of Debenture.
- iii) Deferred Revenue Expenses : Deferred Revenue Expenditure is amortised over a period of 5 years

o) Foreign currency transactions

Foreign currency transactions during the accounting year are translated at the rates prevalent on the transaction date. Exchange differences arising from foreign currency fluctuations are dealt with on the date of payment/receipt. Assets and Liabilities related to foreign currency transactions remaining unsettled at the end of the period/year are translated at the period/ year end rate. The exchange difference is credited / charged to Profit & Loss Account in case of revenue items and capital items.

p) Impairment of assets

The company determines whether a provision should be made for impairment loss on fixed assets (including Intangible assets) by considering the indications that an impairment loss may / has occurred in accordance with Accounting Standard-28 "Impairment of Assets ". Where the recoverable amount of any fixed assets is lower than its carrying amount, a provision for impairment loss on fixed assets is made..

q) Provision for doubtful debts

The management reviews on a periodical basis the outstanding debtors with a view to determine as to whether the debtors are good, bad or doubtful after taking into consideration all the relevant aspects. On the basis of such review and in pursuance of other prudent financial considerations the management determines the extent of provision to be made in the accounts.

r) Cash and Cash Equivalents

Cash and cash equivalents for the purposes of Cash Flow Statement comprises cash at bank and in hand and fixed deposits. Cash and bank balances also include fixed deposits and margin money deposits.

s) Cash Flow Statement

Cash Flow Statement is prepared by segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of



- i. Transactions of a Non cash nature.
- ii. Any deferrals or accruals of past or future operating cash receipts or payments and
- iii. Items of income or expense associated with investing or financing cash flows

Cash and cash equivalents (including bank balances) are reflected as such in the cash flow statement. Those cash and cash equivalents which are not available for general use as on the date of balance sheet are also included under this category with a specific disclosure.

t) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that any outflow of resources will be required to settle the obligation. A contingent liability also arises in an extremely rare case where there is a liability that cannot be recognised because it cannot be measured reliably. The company does not recognise a contingent liability but discloses its existence in the Financial statements.

u) Earning per Share

The company reports basic and diluted earning per share in accordance with AS - 20 'Earning per share' issued by the ICAI. Basic earning per share is computed by dividing the net profit after tax by the weighted average number of shares outstanding for the year.

v) Disclosure as required by the Accounting Standard – 22 "Accounting for Taxes on Income" is as follows:

The Engineering Division of Uttam Value Steels Ltd. was demerged and vested with Lloyds Steels Industries Ltd from the appointed date 01.04.2014 as per the Scheme of Arrangement duly approved by the Hon'ble High Court of Judicature at Bombay and the same has come into effect from 15.01.2016.

In view of the above the Company is required to revise its Income Tax Return for the Financial Year 2014-15 (Assessment Year 2015-16) after taking into account the financials of the demerged undertaking (i.e. Engineering Division of Uttam Value Steels Ltd.) and further after considering the effect of the unabsorbed depreciation and unabsorbed/carry forward business losses as may be applicable to the demerged undertaking under the provisions of the Income Tax Act 1961 and hence the Company has not provided any Income Tax liability for the previous year ending 31.03.2015 and does not envisage any liability for Income Tax for the current year.

Deferred tax asset has not been recognized as there is no certainty of sufficient future taxable income available against which this deferred tax asset can be realized as a result of the company's likely eligibility for taking the effect of the unabsorbed depreciation and unabsorbed business losses pertaining to the demerged undertaking.

2. Share Capital

	(Rs. in lacs)	
	As at 31st March 2016	As at 31st March 2015
Authorized shares		
90,00,00,000 (5,00,000) Equity Shares of Re 1/- each	9,000.00	5.00
	9,000.00	5.00
Allotted, Subscribed and Issued fully paid-up shares		
89,86,98,382 (5,00,000) Equity shares of ` Re 1/- each	8,986.98	5.00
Total	8,986.98	5.00



(a) Reconciliation of the shares outstanding at the beginning and at the end of the year.

	As at 31st March 2016		As at 31st March 2015	
	(Nos.)	(Rs. in lacs)	(Nos.)	(Rs. in lacs)
Equity shares				
At the beginning of the Year	500,000	5.00	500,000	5.00
Issued to Equity Shareholder of Uttam Value Steels Ltd.	898,698,382	8,986.98	-	-
Less : Transfer to Capital Reduction Account (as per the Scheme of Arrangement)	(500,000)	(5.00)	-	-
Outstanding at the end of the Year	898,698,382	8,986.98	500,000	5.00

Note: The company has allotted and issued 898698382 equity shares of Re 1/- each fully paid to the equity shareholders of Uttam Value Steels Limited on 31st March, 2016 and further 500000 equity shares of Re 1/- each fully paid up of the company were cancelled on 31st March, 2016 as per the terms of the scheme of arrangement duly approved by the Hon'ble High Court of Bombay, the effect of which has been considered on 31st March, 2016.

(b) Terms and Rights attached to equity shares

The company has only one class of shares having a par value at ` 1/- per share. Each holder of equity shares is entitled to one vote per share.

(c) Details of shareholders holding more than 1% shares in the company

Name of the shareholder	As at 31st March 2016		As at 31st March 2015	
	(Nos.)	(% holding in the class)	(Nos.)	(% holding in the class)
Equity shares of ` 1 each fully paid				
Firstindia Infrastructure Private Limited (Formerly known as Ultimate Logistics solutions Pvt. Ltd.)	288,073,478	32.05%	178,000	35.60%
Prawas Leasing And Finance Private Limited	-	-	239,800	47.96%
Shree Global TradeFin Ltd.	128,081,808	14.25%	-	-
Metallurgical Engineering and Equipments Ltd	126,367,638	14.06%	82,000	16.40%
IDBI Bank Limited	102,000,000	11.35%	-	-
UD Industrial Holding Pte Limited	86,425,806	9.62%	-	-
State Bank of India	34,178,025	3.80%	-	-
Trump Investments Limited	25,435,376	2.83%	-	-
Ragini Trading & Investment Limited	9,686,386	1.08%	-	-

3. Reserves and surplus

	(Rs. in lacs)	
	As at 31st March 2016	As at 31st March 2015
Capital reserve		
Capital Reduction Account (5,00,000 Shares of Re 1/- each)	5.00	-
Surplus/ (deficit) in the statement of profit and loss		
Balance as per last financial statements	9,136.26	8,889.71
Add/(Less) : Transfer from Depreciation Reserve as per Sch-II	-	(18.83)
Add: Profit/(Loss) for the Year	63.63	265.37
Add: Round off	-	-
Add: Transfer to Goodwill Account	95.98	-
Less: Transfer to Equity Shareholders of Uttam Value Steels Limited	(8,986.98)	-
Net surplus / (deficit) in the statement of profit and loss	308.89	9,136.25
Total	313.89	9,136.25



4. Long-term borrowings

(Rs. in lacs)

	Non-current portion		Current maturities	
	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
Deferred payment liabilities (Unsecured)				
Sales Tax Deferral	14.49	33.84	19.35	26.83
Total	14.49	33.84	19.35	26.83
The above amount includes				
Unsecured borrowings	14.49	33.84	19.35	26.83
Amount disclosed under the head "other current liabilities" (Note No 6.)	-	-	(19.35)	(26.83)
Net amount	14.49	33.84	-	-

5. Provisions

(Rs. in lacs)

	Long-term		Short-term	
	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
Provision for employee benefits				
Provision for gratuity	279.49	255.18	21.40	66.51
Provision for leave benefits	66.71	62.54	3.82	17.69
	346.21	317.72	25.23	84.20

6. Trade payables & Other Current Liabilities

(Rs. in lacs)

	As at 31st March 2016	As at 31st March 2015
Trade payables		
Micro, Small and Medium Enterprises *	-	-
Acceptances	-	-
Other than Acceptances	6,932.07	24,168.02
Sub Total	6,932.07	24,168.02
Other current liabilities		
Current maturities of long-term borrowings (Note No. 4)	19.35	26.83
Advances from customers	39,939.28	58,557.44
Statutory Dues	120.83	133.73
Expenses Payable	98.40	18.29
Employee related liabilities	70.17	73.44
Sub Total	40,248.04	58,809.74
Total	47,180.11	82,977.77

Details of dues to micro and small enterprises as defined under the Micro and Small Enterprise Development (MSMED) Act, 2006* :

Particulars	As at 31st March 2016	As at 31st March 2015
1. Principal amount due and remaining unpaid	-	-
2. Interest due on (1) above and the unpaid interest	-	-
3. Interest paid on all delayed payments under the MSMED Act	-	-
4. Payment made beyond the appointed day during the year	-	-
5. Interest due and payable for the period of delay other than (3) above	-	-
6. Interest Accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding year	-	-

* The company has initiated the process of identification of suppliers registered under Micro and small enterprise development Act, 2006, by obtaining confirmations from all suppliers. The above information has been determined on the basis of information available with the company. This has been relied upon by the auditors.

* The company has received a notice dated 22.03.2016 for conciliation proceedings under section 18 to be read with section 17 of Micro, Small & Medium Enterprises Act, 2006 pertaining to a claim of a vendor for payment of principal Rs.1,95,000/= and interest Rs.1,08,165/= which is disputed by the company.



Lloyds Steels Industries Limited

Note - 7

(Amount in Lacs)

		GROSS BLOCK				DEPRECIATION					NET BLOCK	
Sr. No.	Particulars	As at 01.04.2015	Additions	Sold/ Discarded/ Transfer	As at 31.03.2016	Upto 31.03.2015	For the Period/Year	RETAIN EARNING	Sold/ Discarded	Upto 31.03.2016	As at 31.03.2016	As at 31.03.2015
1	Land	146.66	0.00	0.00	146.66	0.00	0.00	0.00	0.00	0.00	146.66	146.66
2	Building	718.16	94.23	0.00	812.39	453.61	22.90	0.00	0.00	476.52	335.87	264.55
3	Plant & Machinery	3246.30	0.00	0.00	3246.30	2904.02	24.14	0.00	0.00	2928.16	318.14	342.28
4	Computers	169.36	1.25	0.00	170.61	144.70	12.51	0.00	0.00	157.21	13.40	24.66
5	Electrical Installations	139.06	0.00	0.00	139.06	100.37	0.00	0.00	0.00	100.37	38.68	38.68
6	Office Equipment & AC	80.98	1.03	0.00	82.00	49.56	21.37	0.00	0.00	70.93	11.08	31.42
7	Furniture & Fixtures	206.25	0.00	0.00	206.25	63.46	20.32	0.00	0.00	83.78	122.47	142.78
8	Motor Vehicles	346.12	0.00	0.00	346.12	125.69	46.16	0.00	0.00	171.85	174.27	220.43
	Total	5052.89	96.51	0.00	5149.39	3842.42	147.40	0.00	0.00	3989.82	1160.58	1211.47
	Capital Work -in-Progress	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	5052.89	96.51	0.00	5149.39	3842.42	147.40	0.00	0.00	3989.82	1160.58	1211.47
	Previous Year	6038.74	275.53	1261.38	5052.89	3715.90	147.70	18.83	41.01	3822.59	1211.47	

NOTE:

The immovable properties at A- 5/5 and A 6/3 Murbad and Plant and Machinery of the company are having first charge in favour of Axis Trustee Services Ltd (security Trustee) for the benefit of lenders of Uttam Value Steels Ltd and ranks parripasu among all the lenders of Uttam Value Steels Ltd before the Demerger of Engineering Division of UVSL into our company. The company will initiate appropriate steps with Uttam Value Steels Ltd for release of the charges from its lenders.



8. Loans and advances

(Rs. in lacs)

	Long Term		Short Term	
	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
Deposits				
Security deposits	8.89	4.53	11.62	17.19
Others	-	-	-	-
(A)	8.89	4.53	11.62	17.19
Advances recoverable in cash or kind				
Considered good	-	-	14,353.40	52,376.69
Considered doubtful	-	-	-	-
	-	-	14,353.40	52,376.69
Less: Provision for doubtful advances	-	-	-	-
(B)	-	-	14,353.40	52,376.69
Other loans and advances				
Advance tax and tax deducted at source	-	-	288.12	996.86
Prepaid expenses	3.15	0.14	11.34	11.47
Other recoverables	-	-	90.97	85.21
SAD Receivable	-	-	37.30	-
Balances with Statutory / Government authorities				
(i) CENVAT Credit Receivable	-	-	183.14	108.83
(ii) VAT Receivable	-	-	0.02	0.02
(iii) Service Tax Credit Receivable	-	-	126.01	160.20
	-	-	309.17	269.05
Less: Provision for doubtful advances	-	-	-	-
	-	-	309.17	269.05
(C)	3.15	0.14	736.90	1,362.60
Total (A+B+C)	12.03	4.68	15,101.92	53,756.48

9. Inventories

(Rs. in lacs)

	As at 31st March	As at 31st March
Raw materials	298.62	334.71
Work-in-progress	4,948.47	6,109.08
Stores and spares	498.86	451.09
Scrap & Byproducts	3.34	3.69
Total	5,749.29	6,898.56



10. Trade Receivables & Other Current Assets

Trade Receivables		(Rs. in lacs)	
		Current	
		As at 31st March 2016	As at 31st March 2015
Unsecured, considered good unless stated otherwise			
Outstanding for a period exceeding six months from the date they are due for payment			
Unsecured, considered good		12,294.15	4,804.67
		12,294.15	4,804.67
Less : Provision for doubtful trade receivables		92.57	-
(A)		12,201.58	4,804.67
Other receivables			
Unsecured, considered good		20,660.66	23,919.34
(B)		20,660.66	23,919.34
Total (A+B)		32,862.23	28,724.01

11. Cash and bank balances

		(Rs. in lacs)	
		Current	
		As at 31st March 2016	As at 31st March 2015
Cash and cash equivalents			
Balances with banks:			
- On current accounts		330.30	684.77
- Deposits with original maturity of less than three months		200.74	403.21
Cash on hand		7.95	3.09
		538.99	1,091.08
Other bank balances			
Margin money deposit *		1,345.88	868.51
		1,345.88	868.51
		-	-
Total		1,884.87	1,959.59

* Amount held in Margin / fixed deposits accounts with banks, is also having lien for guarantee's provided.

12. Revenue from operations

		(Rs. in lacs)	
	For the year ended	For the year ended	
	31st March 2016	31 st March 2015	
Revenue from operations			
Sale of products			
Finished goods	9,037.49	26,945.07	
Traded goods	993.24	23,533.58	
Less: Claims, Trade Discounts, etc.	-	-	
	10,030.73	50,478.65	
Other operating revenue			
Saleable Scrap & By products sale	25.39	858.25	
Job work charges	2,004.00	1,109.39	
Other Sales	349.68	1,282.78	
Revenue from operations (gross)	12,409.80	53,729.07	
Less: Excise duty	741.41	2,683.10	
Revenue from operations (net)	11,668.39	51,045.96	



13. Other income

	(Rs. in lacs)	
	For the year ended	For the year ended
	31st March 2016	31st March 2015
Interest income on		
Bank deposits	126.60	119.00
From others	598.44	693.44
	725.04	812.44
Lease rent received	2.16	-
Miscellaneous Income	54.56	28.97
Liabilities no longer required written back (net)	2.33	36.36
Net Gain/Loss on Foreign currency transaction	41.73	18.15
Total	825.82	895.92

14 Cost of raw material consumed

	(Rs. in lacs)	
	For the year ended	For the year ended
	31st March 2016	31st March 2015
Cost of raw material consumed	4,259.16	18,221.90
Total	4,259.16	18,221.90

Detail of raw materials consumed

	(Rs. in lacs)	
	For the year ended	For the year ended
	31st March 2016	31st March 2015
Iron & Steel, etc	4,259.16	18,221.90
Total	4,259.16	18,221.90

15. Changes in inventories of Finished goods, Work-in-progress and Stock in trade.

	(Rs. in lacs)	
	For the year ended	For the year ended
	31st March 2016	31st March 2015
Inventories at the end of the year		
Finished goods (scrap)	3.34	3.69
Work-in-progress (Including Building & Related development expenses)	4,948.47	6,109.08
	4,951.81	6,112.76
Inventories at the beginning of the year		
Finished goods (scrap)	3.69	4.21
Work-in-progress	6,109.08	8,787.33
Building & Related development expenses transfer from CWIP	-	1,149.47
	6,112.76	9,941.02
Total (Increase)/ Decrease in Stock	1,160.95	3,828.25

Detail of inventory

	(Rs. in lacs)	
	31st March 2016	31st March 2015
Work-in-progress		
Engineering products	4,948.47	6,109.08
(includes building related development expenses of Rs.1.89 crores (Rs.3.99 crores)	4,948.47	6,109.08
	-	-



16. Employee benefit expense

(Rs. in lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
Salaries, wages and bonus	1,051.37	993.29
Contribution to provident and other fund	73.28	68.25
Gratuity & leave encashment expenses	57.91	70.11
Staff welfare /workmen expenses	20.23	21.99
Managerial Remuneration	54.66	47.73
Total	1,257.46	1,201.37

17. Other expenses

(Rs. in lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
Consumption of stores and spare parts	1,677.55	690.04
Power Charges	37.38	45.41
Fuel & gases Charges	25.71	32.78
Freight and forwarding charges (net)	204.50	140.39
Other expenses of production	803.41	215.29
Engineering and processing charges	407.07	561.71
Rent	126.26	127.29
Rates and Taxes	10.83	24.48
Insurance	8.69	8.91
Repairs and Maintenance:		
Plant and machinery	0.91	2.22
Buildings	-	0.51
Others	33.15	22.89
Other selling expenses	6.96	12.05
Commission and brokerage	-	5.51
Prior period items comprise of :		
At Debit	8.23	2.87
Less: At Credit	-	-
Legal & Professional Charges	267.95	225.77
Directors' sitting fees	0.24	-
Payment to auditor (Refer details below)	1.25	0.10
Loss on sale of Fixed Assets (net)	-	10.96
Travelling & Conveyance Expenses	163.60	141.48
Miscellaneous expenses	449.53	252.21
Total	4,233.21	2,522.87

Payment to auditor

(Rs. in lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
As auditor:		
Audit fee	1.00	0.06
Tax audit fee	-	-
In other capacity:		
Other services (certification fees)	0.25	-
Reimbursement of expenses	-	0.04
Total	1.25	0.10



Prior period items comprise of the following:

Expenses		
Repairs & Maintenance others	3.41	
Business Promotion Expenses	2.20	
Freight chgs	2.53	
Repairs & Maintenance P & M	0.04	
Others charges	0.06	
Total (A)	8.23	-
Income		
Other		
Total (B)	-	-
Total (A-B)	8.23	-

18. Depreciation and amortisation expense

	(Rs. in lacs)	
	For the year ended	For the year ended
	31st March 2016	31st March 2015
Depreciation of tangible assets	147.40	147.70
Total	147.40	147.70

19. Finance costs

	(Rs. in lacs)	
	For the year ended	For the year ended
	31st March 2016	31st March 2015
Interest expense :		
Bill Discounting charges (net)	1.63	1,509.34
Bank & Finance processing charges	165.33	472.63
Others	269.24	269.38
Total	436.19	2,251.34



20. Contingent liabilities and Commitments

	(Rs. in lacs)	
	As at 31st March 2016	As at 31st March 2015
CONTINGENT LIABILITIES		
A) Claims against the company / disputed liabilities not acknowledged as Debts		
- Show cause notices under hearing in respect of excise duty which is disputed by the company		
- Income tax demand, disputed by the company		
- Others claims not acknowledged as debts	856.00	856.00
B) Guarantees		
- Guarantees issued by the Company's bankers on behalf of the company.		
This includes expired Bank guarantees of Rs. 86 lacs (Rs. 94 lacs)	1,331.37	868.51
- Amount equivalent to the value of guarantees is held in margin / fixed deposits with banks having lien.		
- Guarantees issued by the bankers of Uttam Value Steels Limited for the demerged Engineering Division of Uttam Value Steels Limited which is now vested with Lloyds Steels Industries Limited	575.37	502.57

21. Employee benefits

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.

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 following tables summarise the components of net benefit expense recognised in the statement of profit and loss amounts recognised in the Balance sheet for the respective plans.

a) Net employee benefit expense recognized during the period

(Rs. in lacs)

	Leave Encashment		Gratuity	
	Current Year	Previous year	Current Year	Previous year
i) Current Services Cost	(0.15)	(7.82)	22.75	21.97
ii) Interest Cost	0.06	8.33	25.09	25.54
iii) Net actuarial (Gain)/Loss recognized during the year	0.19	12.11	(0.61)	9.97
iv) Expenses included in 'employee benefit expense'	0.10	12.62	47.23	57.48

b) Changes in the present value of the defined benefit obligation are as follows

(Rs. in lacs)

	Leave Encashment		Gratuity	
	Current Year	Previous year	Current Year	Previous year
i) Opening Defined benefit obligation plan	80.23	90.12	321.69	276.06
ii) Current Services Cost	(14.89)	(7.82)	22.75	21.97
iii) Interest on obligation	6.26	8.34	25.09	25.54
iv) Net actuarial (Gain)/Loss recognized during the year	19.31	12.11	(0.61)	9.97
v) Benefits paid	(20.36)	(22.52)	(68.02)	(11.85)
vi) Closing Defined benefit obligation plan	70.55	80.23	300.90	321.69

c) The principal assumptions used in determining gratuity obligations for the company's plan are shown below.

	31st March 2016	31st March 2015
i) Discounting rate	8% Per Annum	7.80% Per Annum
ii) Escalation of salary	8% Per Annum	7.50% Per Annum
iii) Withdrawal rate	1%	1%
iv) Mortality rate	Indian Assured Lives (2006-08) Ultimate Mortality Rates	Indian Assured Lives (2006-08) Ultimate Mortality Rates
v) Retirement Age	62 Years	60 Years



d) Amounts for the current and previous four periods are as follows

(Rs. in lacs)

	As at 31st March 2016	As at 31st March 2015	As at 31st March 2014	As at 31st March 2013	As at 31st March 2012
Present Value of Defined Benefit Obligation	300.90	321.69	276.06	256.81	213.93
Fair Value of Plan Assets	-	-	-	-	-
(Surplus)/Deficit	300.90	321.69	276.06	256.81	213.93
Experience adjustment on plan Liabilities (Gain)/Loss	(3.88)	(3.88)	(2.18)	24.64	14.81

22. Earning per share (EPS)

		Current Year	Previous Year
The following reflects the profit and share data used in the basic and diluted EPS computations :			
Profit/(Loss) for the year after Tax *	Rs. In lacs	63.63	265.37
Weighted average number of equity shares in calculating basic and diluted EPS	Nos.	898,698,382	898,698,382
Basic earning per share before exceptional items	-	0.01	0.03
Diluted earning per share after exceptional items	-	0.01	0.03
Nominal value of equity shares	-	1.00	1.00

* Subject to note appearing under disclosure as required by the Accounting Standard - 22

Note Though the 898698382 equity shares of Re 1/- each were allotted to the shareholders on 31st March, 2016 and 500000 equity shares of Re 1/- each were cancelled on 31st March, 2016 as per approved scheme of arrangement, effect of the same has been considered on 31st March, 2015 also for arriving the EPS considering the appointed date of the scheme of arrangement as 1st April, 2014 as approved by the High Court of Bombay.

23. Forward Contracts and Unhedged foreign currency exposure

a) No Forward contracts were entered into by the company either during the year or previous years.

b) The year end Foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below.

(Rs. in lacs)

	Foreign Currency		
	Yen	US Dollars	EURO
Current Year			
Trade payables - Foreign currency (full figures)	-	15,690	283,839.14
Trade payables - ` in crs	-	(9.56)	(20.94)
Trade receivables - Foreign currency (full figures)	-	-	517.30
Trade receivables - ` In crs	-	-	0.38
Previous Year			
Trade payables - Foreign currency (full figures)	-	-	95,600.00
Trade payables - ` in crs	-	-	(63.13)
Trade receivables - Foreign currency (full figures)	-	-	-
Trade receivables - ` In crs	-	-	-

24. Imported and indigenous raw material, components and spare parts consumed

(Rs. in lacs)

	Current Year		Previous Year	
	Value (` in lacs)	% of total Consumption	Value (` in lacs)	% of total Consumption
Raw Material				
Imported	-	-	-	-
Indigenous	4,259.16	100.00%	18221.90	100.00%
Components & spare parts				
Imported	1,416.89	42.91%	301.01	43.62%
Indigenous	1,885.43	57.09%	389.03	56.38%



25. C.I.F. Value of imports

(Rs. in lacs)

	Current Year	Previous Year
Raw Materials	-	-
Production consumables , stores and spares	1,137.30	247.90

26. Earning in foreign currency (accrual basis)

(Rs. in lacs)

	Current Year	Previous Year
FOB value of exports	-	-
Brokerage and Commission	53.74	5.93

27. Expenditure in foreign currency (accrual basis)

(Rs. in lacs)

	Current Year	Previous Year
i) Travelling , books & periodicals	11.43	21.23
ii) Engineering & design	159.74	23.02
iii) Professional fees	141.97	73.26
iv) Business Promotion	2.83	-

28. Related party disclosures**A. Parties with whom the Company has entered into transactions during the year where control exists:**

i) Key management personnel :	Mr. Ashok S. Tandon
ii) Enterprise over which key management personnel /relatives have significant influence	NIL
iii) Associate	NIL

B. Transaction with related party as per the books of accounts

NIL

	Nature of relationship	For the year ended 31st March 2016	For the year ended 31st March 2015
Remuneration *			
Mr. Ashok S. Tandon	Key Management personnel	54.66	42.00
Total		54.66	42.00

* The remuneration to the Key Managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

29. Segment Information

The company has single business Segment namely engineering products and services.

30. The figures for previous years have been regrouped, reclassified and rearranged wherever necessary as these figures includes the amount pertaining to Engineering Division of the Uttam Value Steels Limited which has been demerged and transferred to Lloyds Steels Industries Limited as per the scheme of arrangement duly approved by Hon'ble High Court of judicature at Bombay from the appointed date ie 1st April, 2014 (effective date 15th January, 2016) .

