

NOTICE

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of the Members of the **Lloyds Steels Industries Limited** will be held on **Monday, 19th August, 2019 at 11.30 A.M.** at the Registered Office of the Company at Plot No. A-5/5, MIDC Industrial Area, Murbad, Thane – 421 401, Maharashtra, 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, 2019, including the Audited Balance Sheet as at 31st March, 2019 and the Statement of Profit and Loss of the Company for the year ended on that date, alongwith the reports of the Board of Directors and Auditors thereon.
2. To consider re-appointment of current auditors, M/s. Todarwal & Todarwal LLP, Chartered Accountants (Firm Registration No. 111009W/W100231), as Statutory Auditors of the Company for further period of 3 years beginning from the Financial Year 2019-20 till 2021-22 and to fix their remuneration thereof.

To consider and, if thought fit, to pass the following as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s Todarwal & Todarwal LLP, Chartered Accountants (Firm Registration No. 111009W/W100231), be and is hereby reappointed as Statutory Auditors of the Company to hold office for a further period of three years from the conclusion of 25th Annual General Meeting till the conclusion of 28th Annual General Meeting on such remuneration as may be fixed and/or approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary for the purpose of giving effect to this resolution.”

SPECIAL BUSINESS:**3. Ratification of Remuneration of Cost Auditor**

To consider and, if thought fit, to pass 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, 2020, amounting to Rs. 35,000 (Rupees Thirty Five Thousand only) (plus Goods and Services Tax and reimbursement of out of pocket expenses) be ratified.

FURTHER RESOLVED THAT approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

4. Appointment of Mr. Rajashekhar M. Alegavi as a Non-Executive Director of the Company.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 149, 152, 161 and other applicable rules and provisions (including any modification and re-enactment thereof), if any, of the Companies Act, 2013, Mr. Rajashekhar M. Alegavi (DIN: 03584302), who was appointed as an Additional Director with effect from October 26, 2018, on the Board of the Company and who holds office upto ensuing Annual General Meeting and in respect of whom a notice has been received from a member in writing, under Section 160 of the Companies Act, 2013 proposing his candidature for the office of a Director, be and is hereby appointed as a Non- Executive Director of the company, liable to retire by rotation.

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.”

5. Revision in Terms of Appointment and Remuneration of Mr. Ashok Tandon, Managing Director of the Company w.e.f 1st April, 2019.

To consider and, if thought fit, to pass the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 196,197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, read with Part I and Section II of Part II of Schedule V (including any statutory modification or re-enactment thereof for the time being in force) and such other approvals as may be necessary in this regard, consent of the shareholders of the Company be and is hereby accorded to revise the terms and conditions of appointment and remuneration of Mr. Ashok Tandon (DIN: 00028301) Managing Director of the Company, as set out herein below with effect from 01st April, 2019 for the remaining of his present term as the Managing Director, ending on 19th January, 2022.

Revised Terms and Conditions of Appointment of Mr. Ashok Tandon

Subject to the control and supervision of the Board of Directors, Mr. Ashok Tandon, Managing Director shall

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be in charge of the affairs of the Company and he shall perform such duties and exercise such powers as may be entrusted to him from time to time by the Board of Directors and Shareholders except such matters which are specifically to be done by the Board of Directors under the Articles of Association of the Company or under the Companies Act, 2013 and the rules thereunder.

Mr. Ashok Tandon shall be liable to retire by rotation at the Annual General Meeting in accordance with section 152 of the Companies Act, 2013 and there will be no break in his office as Managing Director in case he is re-appointed by the shareholders.

The detail of revised remuneration of Mr. Ashok Tandon is given below:

Sr. No	Particulars	w.e.f. 01.4.2019 (per annum)
a)	Remuneration	Rs.60,45,120
b)	Perquisites & Allowances	Rs.51,29,472
	Total	Rs.1,11,74,592

In addition to this Mr. Ashok Tandon is also eligible for:-

- Contribution to Provident Fund;
- Gratuity payable at rate not exceeding half a month's salary for each completed year of service,
- Leave and encashment of leave as per the Rules of the Company.
- The Company shall pay to or reimburse to the Managing Director all costs, charges and expenses that may have been or may be incurred by him for the purpose of or on behalf of the Company.

RESOLVED FURTHER THAT the said remuneration mentioned above is within the maximum ceiling limit prescribed Under Section II of Part II of Schedule V to the Companies Act, 2013 as may be amended from time to time and in force.

RESOLVED FURTHER THAT the said terms and conditions of the appointment may be altered and varied from time to time by the Board as it may, in its discretion deem fit within the maximum amount payable to the Managing Director in accordance with the provisions of the Companies Act, 2013 or any amendments made therein.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as it may consider necessary or expedient to give effect to the aforesaid resolution."

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

**Sd/-
P.R. Ravi Ganesan
Company Secretary**

**Date: 26th April, 2019
Place: Mumbai**

NOTES:

- An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
- A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company.
- The instrument appointing proxy, in order to be effective, must be received by the Company at the Registered Office not later than 48 hours before the commencement of the Meeting. Members / Proxies are requested to sign the attendance slip annexed to the proxy form and hand it over at the gate of the venue of the Meeting.
- A person can act as a proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- The proxy form should be in writing and be signed by the appointer or his/her attorney duly authorized in writing or, if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it.
- Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- 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.
- 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 will be available for inspection by the members at the Annual General Meeting.
- 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. 17**.

10. 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 **Monday, 12th August, 2019 to Monday, 19th August, 2019 (both days inclusive)**;
11. In line with the Green Initiative of the Ministry of Corporate Affairs, hard copy of the Annual Report containing the Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement etc. will be sent to those shareholders who have not registered their e-mail addresses. Shareholders who have registered their e-mail addresses will be sent the soft copies by e-mail. However, a shareholder continues to retain the right to request the Company for a hard copy of the Report.
12. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
13. Relevant documents referred to in the accompanying Notice and the Explanatory Statement, the Statutory Registers, the Audited Financial Statements, the Directors' Report and the Auditor's Report, will remain open for inspection at the Registered Office of the Company on all working days between 09:00 a.m. to 5:00 p.m. excluding Saturdays, Sundays and public holidays up to the date of the AGM. The Audited Financial Statements, the Directors' Report and the Auditor's Report will be placed on the Company's website on **www.lloydsengg.in**
14. Members desiring any information as regards to Accounts are requested to write 7 days in advance to the Company before the date of the meeting to enable the Management to keep the required information ready.
15. Members are requested to notify any changes in their address to the Company's Registrar & Share Transfer Agent, M/s. Bigshare Services Pvt. Ltd., 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Makwana Road, Marol, Andheri East, Mumbai – 400059.
16. 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.
17. **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 members 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 from a place other than the venue of the Meeting (**'remote e-voting'**).
 - b. The facility for voting through ballot shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through **'Ballot'**.
 - c. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again. Please note that if a Member casts vote by both the modes, then votes cast through e-voting shall prevail and voting at the Meeting will be treated invalid.
 - d. The Company has engaged the services of Central Depository Services Limited ("CDSL") as the Agency to provide e-voting facility.
 - e. The Board of Directors of the Company has appointed M/s. Saurabh Arora & Co., Practicing Company Secretary (Membership No. 43368 COP No. 19371), as the Scrutinizer, to scrutinize the voting and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
 - f. 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. **12th August, 2019**.
 - g. 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. **12th August, 2019** only shall be entitled to avail the facility of remote e-voting /Ballot.
 - h. The Scrutinizer, after scrutinizing the votes cast at the meeting (Ballot) and through remote e-voting, will, not later than three 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.
 - i. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. **19th August, 2019**.
 - j. 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:

- i. The voting period begins on **15th August, 2019 at 9.00 a.m. and ends on 18th August, 2019 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 **12th August, 2019** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The shareholders should log on to the e-voting website **www.evotingindia.com** during the voting period.
- iv. Click on **"Shareholders"** tab.
- v. 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.
- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. 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.
- viii. After entering these details appropriately, click on **"SUBMIT"** tab.
- ix. 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.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for **"LLOYDS STEELS INDUSTRIES LIMITED"** on which you choose to vote.
- xii. 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.

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 RA00000001 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).

- xiii. Click on the **"RESOLUTIONS FILE LINK"** if you wish to view the entire Resolution details.
- xiv. 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.
- xv. Once you **"CONFIRM"** your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on **"Click here to print"** option on the Voting page.
- xvii. 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.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an E-Mail to helpdesk.evoting@cdslindia.com.
18. 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:

STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 (“the Act”)**Annexed to the Notice convening the Twenty Fifth Annual General Meeting to be held on Monday, 19th August, 2019.**

The following Statement sets out all material facts relating to the Ordinary and Special Business mentioned in the accompanying Notice:

Item No. 2

M/s Todarwal & Todarwal, (Firm’s Registration No.111009W), Chartered Accountants (CAs), Mumbai 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 hold the office till the conclusion of the Annual General Meeting to be held in the year 2019. M/s Todarwal & Todarwal 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 Todarwal & Todarwal LLP with effect from 14th July, 2017. In terms of the Ministry of Corporate Affairs, Government of India, General Circular No. 9/2013 dated April 30, 2013, if a Firm of CAs, being an auditor in a Company, is converted into an LLP, then such an LLP would be deemed to be the auditor of the said company. The Board of Directors of the Company has taken due note of this change. Accordingly, the audit of the Company for Financial year 2017-18 and 2018-19 was conducted by M/s Todarwal & Todarwal LLP.

M/s Todarwal & Todarwal LLP have been the Auditors of the Company since 2012-13 and will be completing a term of seven years in August 2019. As per the provisions of Section 139 of the Act, no listed company can appoint or re-appoint an audit Firm as auditor for more than two terms of five consecutive years. In view of the above, M/s Todarwal & Todarwal LLP, being eligible for re-appointment and based on the recommendation of the Audit Committee, the Board of Directors has, at its meeting held on 26th April, 2019, proposed the appointment of M/s Todarwal & Todarwal LLP as the statutory auditors of the Company for a period of three years to hold office from the conclusion of this AGM till the conclusion of the twenty eighth AGM of the Company to be held in the year 2022.

M/s. Todarwal & Todarwal LLP, Chartered Accountants, have consented to the aforesaid appointment and confirmed that their appointment, if made, will be within the limits specified under Section 141(3)(g) of the Companies Act, 2013. They have further confirmed that they are not disqualified to be appointed as the Statutory Auditors in terms of the Companies Act, 2013 and the rules made thereunder.

The proposed fees payable to the auditor is ₹ 1,50,000/-

The Board recommends the Resolution at Item No. 2 for approval by the Members.

None of the Directors or Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution at Item No. 2 of the Notice.

Particulars	Mr. Rajashekhar M. Alegavi
Date of Birth (Age)	24.04.1950
Date of Appointment	26 th October, 2018
Qualifications	B.E (Chem)
Expertise in specific functional areas	Mr. Rajashekhar M. Alegavi 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.
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	Aristo Realty Developers Limited
Memberships/ Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders’ Relationship Committee.)	Mr. R.M. Alegavi is the Member of Audit Committee and Nomination & Remuneration Committee in Aristo Realty Developers Limited.
Number of shares held in the Company	Nil

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.

19. The Route Map of the Venue of the Annual General Meeting is given in this Annual Report.
20. The Shareholders needs to furnish the printed Attendance Slip alongwith a valid Identity Proof to enter the Annual General Meeting.

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

**Date: 26th April, 2019
Place: Mumbai**

**Sd/-
P.R. Ravi Ganesan
Company Secretary**

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Item No. 3

The Board of Directors, at its Meeting held on 26th April, 2019, upon the recommendation of the Audit Committee, approved the appointment of M/s. Manisha & Associates, Cost Accountants as Cost Auditor of the Company for the financial year ending on 31st March, 2020, 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 Rs. 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. 3 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 31st March, 2020.

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. 3 of the Notice.

The Board recommends the **Ordinary Resolution** set out at Item No. 3 of the Notice for approval of the Members.

Item No. 4:

The Board of Directors of the Company at its Meeting held on 26th October, 2018 has appointed Mr. Rajashekhar M. Alegavi as an Additional Director designated as Non-Executive Director of the Company in terms of provisions of the Companies Act, 2013 on the recommendation of the Nomination and Remuneration Committee.

As per Section 161 of the Companies Act, 2013, Mr. Rajashekhar M. Alegavi can hold office upto the date of ensuing Annual General Meeting, and is eligible for appointment as Director. A notice alongwith the requisite deposit under Section 160(1) of the Companies Act, 2013 has been received from a member signifying its intention to propose Mr. Rajashekhar M. Alegavi's appointment as a Director. Consent to act as a Director as well as disclosure for non-disqualification as required under the Companies Act, 2013 have already been received from Mr. Rajashekhar M. Alegavi.

Brief profile

Mr. R.M. Alegavi is B.E. Chemical Engineering, 1st Class from Mysore University, 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.

Mr. R.M. Alegavi served in various Engineering Industries for 18 years and thereafter headed a Process Equipment

Engineering Company for over 18 years and held Consultancy-cum-Advisory Position in Lloyds Group for over a decade.

Mr. R.M. Alegavi's technical expertise is in design and process equipments which have been recognized by reputed consultancy organizations such as Engineers India Limited amongst others.

Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by The Institute of Company Secretaries of India is given in the Note No. 18 of this Notice of Annual General Meeting. Except Mr. Rajashekhar M. Alegavi, being an appointee, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way concerned or interested in resolution set out at Item no. 4 of the Notice.

The Board recommends the ordinary resolution set out at Item no. 4 to the Notice for approval of Members.

Item No. 5:

Mr. Ashok Tandon [DIN: 00028301] was appointed as the Managing Director of the Company for a period of three years w.e.f. 20th January, 2016 to 19th January, 2019, in the Annual General Meeting held on 31st August, 2016. In the Annual general meeting held on 09th August, 2018, he was re-appointed for a further period of 3 years w.e.f. 20th January, 2019 to 19th January, 2022.

The Board of Directors of the Company at its meeting held on 26th April, 2019 has, subject to the approval of the members, revised the terms of re-appointment and remuneration of Mr. Ashok Tandon, Managing Director of the Company.

It is therefore proposed to seek the approval of members by way of special resolution for below mentioned revised terms of re-appointment and remuneration payable to Mr. Ashok Tandon in accordance with applicable provisions of the Act.

Revised Terms and Conditions (including remuneration) of re- appointment of Mr. Ashok Tandon

1. Subject to the control and supervision of the Board of Directors, Mr. Ashok Tandon, Managing Director shall be in charge of the affairs of the Company and he shall perform such duties and exercise such powers as may be entrusted to him from time to time by the Board of Directors and Shareholders except such matters which are specifically to be done by the Board of Directors under the Articles of Association of the Company or under the Companies Act, 2013 and the rules thereunder.
2. The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Companies Act, 2013 with regard to duties of directors.
3. The Managing Director shall adhere to the Company's code of conduct.
4. Mr. Ashok Tandon shall be liable to retire by rotation at the Annual General Meeting in accordance with section 152 of the Companies Act, 2013 and there will be no break in his office as Managing Director in case he is re-appointed by the shareholders.

Revised Remuneration:

Sr. No	Particulars	(Amount in Rs.)
a)	Remuneration	₹ 60,45,120
b)	Perquisites & Allowances	₹ 51,29,472
	Total	₹ 1,11,74,592

In addition to this, Mr. Ashok Tandon is also eligible for:-

- Contribution to Provident Fund
- Gratuity payable at the rate not exceeding half a month's salary for each completed year of service,
- Leave and encashment of leave as per the rules of the Company.

- The Company shall pay to or reimburse to the Managing Director all cost, charges and expenses that may have been or may be incurred by him for the purpose of or on behalf of the Company.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Ashok Tandon under section 190 of the Companies Act, 2013

As per the Audited Financial Statements of the Company for the Financial Year 2018-19, the Company has inadequate profit and therefore, pursuant to the provisions of Section 197 of the Companies Act, 2013, the remuneration payable to Managing Director should be in accordance with the provisions of Schedule V of the Act.

DISCLOSURES AS PER SUB CLAUSE (iv) OF THE SECOND PROVISO TO CLAUSE (B) OF SECTION II OF PART-II OF SCHEDULE V OF THE ACT:

I. General Information:

1	Nature of Industry	Engineering and Fabrication Industry	
2	Date or expected date of commencement of commercial production	The Company has commenced its production activities since 1994.	
3	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable	
4	Financial performance based on given indicators	Financial Year 2018-19 (Rs. in Lakhs)	Financial Year 2017-18 (Rs. in Lakhs)
	Total Income	9,771.78	12250.25
	Profit/ (Loss) before tax	290.41	287.59
	Net profit after Taxation	269.08	200.08
5	Foreign investments or collaborations, if any.	Not Applicable	

II. Information about Mr. Ashok Tandon

1	Background Details	Mr. Ashok Tandon has done B.E. (Mechanical) from SGS Institute of Technology & Service. He is aged about 60 years and having 40 years of experience in Engineering field. He has unique exposure of diversified working with different organization such as Hindustan Petroleum Corporation Ltd., Ispat Industries Limited and various other organizations in the past.
2	Past Remuneration	Salary – Rs.55,21,860/- per annum, and Other allowances & Perquisites – Rs.39,15,516/- per annum
3	Job Profile and its Suitability	At present, Managing Director of the Company. He was appointed as an Additional Director on 15 th January 2014 and subsequently regularized as Director of the Company by the Members at their meeting held on 30 th September, 2014. He is responsible for the overall affairs and the operation of the Company and designated as Managing Director since January 2016. He is responsible for day to day affairs of the Company.
4	Proposed Remuneration and Allowances/ Perquisites	Remuneration Rs.60,45,120 Allowances/Perquisites Rs.51,29,472

LLOYDS STEELS INDUSTRIES LIMITED

5	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed is reasonable as compared to size of the Company, profile and position of the person as well as with respect to the industry.
6	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	None

III. Other Information:

Reasons of loss or inadequate profits	Increase in the cost of production, shortage of Working Capital, Margin pressure due to competitive industry and Lack of new projects.
Steps taken or proposed to be taken for improvement	Efforts to improve the working capital of the company, exploring new/ fresh business opportunities/avenues and exploring export order/ outside country jobs.
Expected increase in productivity and profits in measurable terms.	The Company is expecting to improve the productivity and to earn profits in the nearest future.

Considering the contribution of Mr. Ashok Tandon, the Board of Directors (on the recommendation of the Nomination and Remuneration Committee) pursuant to section 196, 197 and other applicable provisions of the Companies Act, 2013 (the Act) read with Schedule V, proposes change in terms of appointment and remuneration of Mr. Ashok Tandon as set out in item no. 5 of notice of this meeting. However, the tenure of appointment of Mr. Ashok Tandon as Managing Director will remain unchanged i.e for a period of 3 years effective from 20th January, 2019 to 19th January, 2022. Furthermore, to comply with the requirements of section 152 of the Companies Act, 2013, it is proposed to make Mr. Ashok Tandon, liable to retire by rotation.

Except Mr. Ashok Tandon, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5

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

**Date: 26th April, 2019
Place: Mumbai**

**Sd/-
P.R. Ravi Ganesan
Company Secretary**

LLOYDS STEELS INDUSTRIES LIMITED

Route Map: Kalyan Junction, Dist. Thane, Maharashtra to Lloyds Steels Industries Limited, Plot No.A-5/5, MIDC Industrial Area, Murbad, Dist. Thane – 421 401, Maharashtra

