Lloydsteel

# LLOYDS STEELS INDUSTRIES LIMITED

**Corporate Office :**Trade World, 'C' Wing, 16th Floor, Kamala City, Senapati Bapat Marg, Lower Parel (W), Mumbai 400 013.
**Tel:** 91-22-6291 8111 **Fax** 91-22-6291 8260 **email :** infoengg@lloyds.in, website: www.lloydsengg.in **CIN** : L28900MH1994PLC081235

PRRG/LSIL/NSEL/2019/126 17.07.2019

The National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051

**Dear Sir/Madam,**

**Sub: 25th Annual Report of Lloyds Steels Industries Limited**

**Ref: Symbol: LSIL – Series: BE – Trade for Trade**

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of Lloyds Steels Industries Limited for the Financial Year 2018-19. The same will be made available on Company's website, at http://lloydsengg.in/content/Annual-Report-F_Y_2018-19.pdf. The schedule of the Annual General Meeting is set out below:

| Event | Date | Time |
|---|---|---|
| Relevant Date/ Cut-off date to vote on AGM resolutions | 12th August, 2019 | NA |
| Book Closure - AGM | 12th August, 2019 to 19th August, 2019 | NA |
| Commencement of e-voting | 15th August, 2019 | 09:00 a.m. IST |
| End of e-voting | 18th August, 2019 | 05:00 p.m. IST |
| AGM | 19th August, 2019 | 11:30 a.m. IST |

Kindly take the same on your records.

Thanking You,

Yours faithfully,
**For Lloyds Steels Industries Limited**

LLOYDS STEELS INDUSTRIES LTD. MUMBAI 400 013

**P. R. Ravi Ganesan**
**CFO & Company Secretary**

**Encl: A/a**

Lloydsteel

# Lloyds Steels Industries Limited

## 25th Annual Report
## 2018 - 19

# LLOYDS STEELS INDUSTRIES LIMITED

## Corporate Information

### BOARD OF DIRECTORS

| | |
|---|---|
| Mr. Ashok Tandon *(DIN: 00028301)* | *Managing Director* |
| Mr. S. N. Singh *(DIN: 00398484)* | *Independent Director* |
| Mr. Vishal Agarwal *(DIN: 00168370)* | *Independent Director* |
| Mrs.Bela Sundar Rajan *(DIN: 00548367)* | *Independent & Women Director* |
| Mr. R. M. Alegavi *(DIN: 03584302)* | *Additional & Non-Executive Director* |

### CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Mr. P.R. Ravi Ganesan

### AUDITORS

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

**Secretarial Auditors:**
M/s. AKM & Associates,
30-A, First Floor,
Om Heera Panna,
Near Oshiwara Police Station,
Oshiwara, Andheri (West)
Mumbai 400 053

**Cost Auditors:**
M/s Manisha & Associates
238, Shri Ram Shyam Towers,
2nd Floor, Near N.I.T.Sadar,
Nagpur– 440001, Maharashtra

**Internal Auditors:**
M/s. ASB & Company,
208, 2nd Floor,
Kailash Tower,
Opp. Durgapura Bus Stand,
Tonk Road, Jaipur – 302 015

### CORPORATE IDENTIFICATION NUMBER

CIN: L28900MH1994PLC081235

### BANKERS

HDFC Bank Limited
State Bank of India
Union Bank of India
Bank of Maharashtra
Punjab & Maharashtra Co-operative Bank Limited

### REGISTERED OFFICE

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

### WORKS

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

### CORPORATE OFFICE

Trade World, 'C' Wing, 16th Floor,
Kamala City, Senapati Bapat Marg,
Lower Parel (West), Mumbai – 400 013.
Tel : 022 – 6291 8111 Fax : 022 - 6291 8260
E-Mail: infoengg@lloyds.in

### REGISTRAR & SHARE TRANSFER AGENT

**BIGSHARE SERVICES PRIVATE LIMITED**

1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (E), Mumbai - 400059,
Phone : 022 - 6263 8200 /222/223/236
Fax : 022 - 6263 8299
E-Mail : http://www.bigshareonline.com/contact.aspx

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**25th Annual General Meeting**

Date: Monday, 19th August, 2019
Time: 11.30 A.M.

**Venue**

**Registered Office:**
Plot No.A-5/5, MIDC Industrial Area,
Murbad, Dist. Thane 421 401 Maharashtra

## 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

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:-

a) Contribution to Provident Fund;

b) Gratuity payable at rate not exceeding half a month's salary for each completed year of service,

c) Leave and encashment of leave as per the Rules of the Company.

d) 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:**

1. 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.
2. 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.
3. 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.
4. 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.
5. 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.
6. 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.
7. 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.
8. 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.
9. 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.

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.

| For Members holding shares in Demat Form and Physical Form | |
|---|---|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)<br>• 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.<br>• 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 | 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. |
| Dividend Bank Details | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.<br>• 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). |

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.

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:

| Particulars | Mr. Rajashekhar M. Alegavi |
|---|---|
| Date of Birth (Age) | 24.04.1950 |
| Date of Appointment | 26th 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**

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

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

**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.

**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:-**

a. Contribution to Provident Fund

b. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service,

c. Leave and encashment of leave as per the rules of the Company.

d. 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<br>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 15th January 2014 and subsequently regularized as Director of the Company by the Members at their meeting held on 30th 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<br>Allowances/Perquisites Rs.51,29,472 |

| | | |
|---|---|---|
| 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**

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

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

# DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Company's Twenty Fifth Annual Report and the Company's Audited Financial Statements for the Financial Year Ended 31st March, 2019.

## 1. FINANCIAL HIGHLIGHTS:

The Company's financial highlights for the year ended 31st March, 2019 is summarized below:

**(Rs. in Lakhs)**

| Particulars | Current Year 2018-19 | Previous Year 2017-18 |
|---|---|---|
| **Income from Operations** | **9,771.78** | 12,250.25 |
| **Other Income** | **1,003.67** | 3,428.35 |
| **Total Income** | **10,775.45** | 15,678.60 |
| Profit before Interest, Depreciation & Tax | **428.96** | 417.16 |
| Less : Finance Cost | **33.18** | 28.57 |
| Depreciation<br>Exceptional Items | **105.37**<br>**-** | 101.00<br>- |
| Profit/(Loss) before tax | **290.41** | 287.59 |
| Less: Deferred Tax | **21.33** | 87.51 |
| Net Profit/ (Loss) after Tax | **269.08** | 200.08 |

## 2. PERFORMANCE 2018-19:

During the year under review, the Company achieved a turnover of Rs.9,771.78 Lakhs as compared to Rs. 12,250.25 Lakhs in the previous year. The decrease in the turnover is on account of ups and downs of the economy during the current financial year. The operating EBIDTA for the year has marginally increased to Rs.428.96 Lakhs as against Rs.417.16 Lakhs in the previous year. The Company has posted a Profit of Rs.290.41 Lakhs during the year as against Rs.287.59 Lakhs in the previous year after providing depreciation of Rs.105.37 Lakhs (Previous Year Rs.101 Lakhs) and has posted a Net Profit of Rs.269.08 Lakhs in the current year as against Rs.200.08 Lakhs in the previous year after considering deferred tax of Rs.21.33 Lakhs (Previous Year Rs.87.51 Lakhs).

## 3. TRANSFER TO RESERVE:

The Company do not propose to transfer any amount to any reserve.

## 4. DIVIDEND:

In order to conserve the resources, the Board of Directors has not recommended any dividend for the year ended 31st March, 2019.

## 5. MANAGEMENT DISCUSSION AND ANALYSIS:

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

The Company has collaboration agreements with L3 Calzoni s.r.l., Milano, Italy for Fin Stabilizers and Steering Gears with Controls for Indian Naval Ships and Indian Coast Guard Ships. The Company has arrangement with Technip FMC, France (earlier FMC Technologies SA) for Marine, Truck/Wagon Loading Arms and Piggable Systems.

During the current financial year, the Company has executed orders/jobs by supplying critical equipments, Marine Loading/Unloading Arms, items and spares, carried out erection, installation and commissioning work and provided technical services (including repairing, overhauling and erecting Marine Loading Arms) to various Public and Private Sector Companies and Government Bodies /Agencies in diversified areas and fields broadly covering Refinery & Petroleum, Oil & Gas, Power, Steel Plant Equipments, Nuclear Projects, Ports and Naval Shipyard amongst others.

The Company has supplied Steering Gear Systems for Indian Navy Warship INS Pralay and INS Betwa by replacing the old and obsolete imported Steering Gear Controls by upgrading the same with that of indigenous VME 64 digital platform architecture controls.

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

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

The Company continues to have Certificate of Authorization by the American Society of Mechanical Engineers **(ASME)** and use of the Certification Marks **"U", "U2" and "S"** for manufacture of pressure vessels and manufacture and assembly of power boilers in the Companies Works and field sites.

The Company continues to participate in the tenders of various Public and Private Sector Companies, Government Organisations, Navy, Ports, and has secured reasonable orders during the financial year and actively looking for obtaining further orders/execution of works in India and Abroad.

**a. Engineering Industry and Business Overview**:

The prospects of Indian Engineering Industry continue to improve in a phased manner in view of reforms undertaken by the Government of India in various sectors particularly in the Hydro Carbon and Infrastructure Sectors. The expansion in Oil and Gas Sector including the Refineries continue to provide opportunities and support to the Engineering Industry. Government plans to upgrade and modernize the Indian Navy is also contributing to the growth in the form of supply and services to Indian Naval Ships. Overall, the business outlook is positive and improving.

**b. Risk & Concerns:**

The banking system continues to be over burdened with large Non Performing Assets (NPA) restricting the investment by Public and Private Corporate Sectors. Margins in the industry continue to be under pressure due to severe competition. We are up-grading our skills, modernization and cost saving to the extent possible. Risk and concerns are being addressed on a continuous basis.

**c. Internal Control System and Audit:**

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

1. Operational performance is reviewed each month by the Senior Management.
2. Performance of each function is closely monitored by the Head of Department and Senior Management through daily/weekly/ monthly review meetings. Reviews of all independent functions are regularly undertaken. Cross functional activities are subjected to periodic review.
3. Various policies are introduced from time to time to ensure effective functioning of various departments, such as Business Development, Projects, Procurement, Commercial, Finance, HR, etc.
4. The Internal Auditors of the company conducts financial, operational and management audit of various functions and areas. Their reports are placed before the Audit Committee and appropriate actions as deemed fit are initiated based on the reports.
5. The Audit Committee also oversees financial systems, procedures and internal controls and competent to call for any information/document from any department/function.

**d. Human Resources and Industrial Relations:**

The Industrial Relations in the company's units located at Murbad during the year under review was cordial. Human Resources Department ("HRD") works continuously for maintaining healthy working relationship with the workers and other staff members. The underlying principle is that workers and staff at all levels are equally instrumental for attaining the Company's goals. Training programmes are regularly conducted to update their skills and apprise them of latest techniques. Senior Management is easily accessible for counseling and redressal of grievances if any. The HR Department strives to maintain and promote harmony and co-ordination amongst workers, staff and members of the senior management.

**e. Cautionary Statement:**

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

**6. SUBSIDIARY & CONSOLIDATED FINANCIAL STATEMENTS:**

The Company is not required to consolidate its financial statements for the year ended 31st March, 2019 as the Company doesn't have any subsidiary, Associates and joint ventures companies.

**7. SHARE CAPITAL:**

During the financial year under review, there is no change in the capital structure of the Company and accordingly, the issued, subscribed and paid-up share capital of the company stand at Rs. 89,86,98,382 as on 31st March, 2019.

**8. NATURE OF BUSINESS ACTIVITIES AND CHANGES THEREOF:**

During the financial year 2018-2019 under review, there are no changes in the nature of business activities of the Company.

**9. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY.**

There have been no material changes and commitments affecting the financial position of the Company which has occurred between the end of the financial year to which the financial statements relate and date of this report.

**10. PUBLIC DEPOSIT.**

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

**11. DETAILS OF TOTAL FEES PAID TO STATUTORY AUDITORS:**

The details of total fees for all services paid by the Company on a consolidated basis to the Statutory Auditors are as follows:

(Rs. In Lakhs)

| Type of Service | 2018-19 | 2017-18 |
|---|---|---|
| Audit Fees | 1.50 | 1.50 |
| Tax Audit Fees | 0.50 | 0.50 |
| Fees for Ind-AS Implementation | - | 1.75 |
| Total | 2.00 | 3.75 |

**12. DIRECTORS AND KEY MANAGERIAL PERSONNEL.**

The Board of the Company comprises an optimum combination of executive and non-executive Independent Directors.:

| Name of Director | Category and Designation |
|---|---|
| Mr. Ashok Tandon | Managing Director |
| Smt. Bela S. Rajan | Non-Executive Independent Women Director |
| Mr. S. N. Singh | Non-Executive Independent Director |
| Mr. Vishal Agarwal | Non-Executive Independent Director |
| Mr. R.M. Alegavi* | Non-Executive Non-Independent Director |

* *Mr. R.M. Alegavi was appointed on 26th October, 2018 as an Additional Non-Executive Director who shall hold office upto the date of the ensuing Annual General Meeting of the company.*

**Skills, Competence and Expertise of the Board**:

The Board has core skills, expertise and competence in various fields such as Engineering, Technology, Sales and Business Development, Commercial, Accounting & Finance, Legal, Public Relations amongst others. The Directors have experience in serving on the Board of different Companies and thus possess analytical skills, awareness of existing law, policies and statutory compliances, preparing strategies and have insights about Corporate Governance, Management Responsibility, Stakeholders Interest amongst other qualities which are applied to the advantage of the Company.

In pursuant to provisions of Section 203 of the Companies Act, 2013 read with the applicable rules and other applicable provisions of the Companies Act, 2013, the designated Key Managerial Personnel (KMP) of the Company as on 31st March, 2019 are as follows:

| Name of KMP | Category and Designation |
|---|---|
| Mr. Ashok Tandon | Managing Director |
| Mr. P.R. Ravi Ganesan | CFO & Company Secretary |

**a. Declaration by Independent Directors:**

All Independent Directors have given declarations under section 149 (7) that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**b. Familiarization Programme for Independent Directors:**

The Company has formulated a Programme for Familiarization of Independent Directors with regard to their roles, rights, responsibilities, nature of the industry in which the Company operates, the business model of the Company etc. The details of the Familiarization Programmes as conducted by the Company during the last fiscal are available on the website of the Company (www.lloydsengg.in). However during the year under review, there was no change in the nature of business of the company and its business vertical/structure/operational strategy, etc., which would have necessitated fresh Familiarization Programme for Independent Directors.

**13. DISCLOSURE RELATED TO BOARD AND CORPORATE GOVERNANCE:**

**a. Number of Meetings of the Board:**

Total 4 (Four) Board Meetings were held during the financial year 2018-19 as required u/s 134 (3) (b) of the Companies Act, 2013 are as under:

| Date of Board meetings | Purpose |
|---|---|
| 4th May 2018 | Financial Results & General Purpose |
| 4th August, 2018 | Financial Results & General Purpose |
| 26th October 2018 | Financial Results & General Purpose |
| 29th January, 2019 | Financial Results & General Purpose |

In respect of such meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the

purpose. No circular resolutions were passed by the Company during the financial year under review.

**b. Committees of the Board:**

The detailed information with regard to the composition of Board and its Committee(s) and their respective meetings etc. are stated in the Corporate Governance Report of the Company which forms part of this Annual Report.

**c. Corporate Governance:**

The Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are complied with. The report on Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is annexed hereto and marked as '**Annexure-A**' and forms part of this report.

**d. Performance Evaluation of the Board and it's Committee(s):**

The Board has carried out an annual performance evaluation of its own performance and that of its Committees and individual directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

**e. Meeting of the Independent Directors:**

During the year under review, the Independent Directors met on 29th January, 2019, interalia, to:

i) Review the performance of Non Independent Directors and the Board of Directors as a whole;

ii) Review the performance of the Managing Director of the Company taking into account the views of the Directors;

iii) Assess the quality, content and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

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

**14. DIRECTORS' RESPONSIBILITY STATEMENT.**

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

1. in the preparation of the annual accounts for the year ended 31st March, 2019, the applicable accounting standards have been followed and there are no material departures from the same;

2. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the profit of the Company for the year ended on that date;

3. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

4. the Directors have prepared the annual accounts on a 'going concern' basis;

5. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and

6. the Directors have devised proper systems and controls to ensure compliance with the provisions of all applicable laws and that such systems and controls are adequate and operating effectively.

**15. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

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

**16. EXTRACT OF THE ANNUAL RETURN:**

The Extract of the Annual Return (Form No.MGT-9) as on 31st March, 2019 pursuant to the provisions of Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 (as amended by Companies (amendments) Act, 2017 is furnished in the '**Annexure – C**' attached to this report, which forms an integral part of this report.

**17. VARIOUS POLICIES OF THE COMPANY.**

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 the Company has formulated, implemented and amended (as per the Companies (amendments) Act, 2017, SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2019) and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and various policies and the Amended copy of all such Policies are available on Company's website (www.lloydsengg.in) under the

Policies sub-caption of the Investor Caption. The policies are reviewed periodically by the Board and updated based on need and requirements.

| Name of the Policy | Brief Description |
|---|---|
| Whistle Blower or Vigil Mechanism Policy | The policy is meant for directors, employees and stakeholders of the Company to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct and ethics amongst others. |
| Policy for Related Party Transactions | The policy regulates all transactions taking place between the Company and its related parties in accordance with the applicable provisions. |
| Policy for preservation of documents | The policy deals with the retention of corporate records of the Company. |
| Policy for determination of materiality of events | This policy applies for determining and disclosing material events taking place in the Company. |
| Code of conduct for Director(s) and Senior Management Personnel | The Policy is aimed to formulate a Code of Conduct for the Directors and Senior Management Personnel to establish highest standard of their ethical, moral and legal conduct in the business affairs of the Company. |
| Nomination and Remuneration Policy | The policy formulates the criteria for determining qualifications / competencies / positive attributes and independence related to the appointment, removal and remuneration of a Director (Executive / Non-Executive) and also the criteria for determining the remuneration of the Directors, Key Managerial Personnel and other employees covered under the prescribed criteria, if any. |
| Code of Conduct for Prohibition of Insider Trading | The Policy provides framework for dealing with the securities of Company in mandated manner. |

Apart from the above, the Company has formulated and amended as required Policy on Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) as well as procedure of Inquiry in case of Leak of Unpublished Price Sensitive Information effective from 01.04.2019 amongst various other policies as available in the website of the Company.

**18. AUDITORS:**

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

**(A) Statutory Auditor:**

Pursuant to Section 139 of the Companies Act, 2013 and rules made thereunder, the Board of Directors appointed M/s. Todarwal & Todarwal, Chartered Accountants (Firm Registration No. 111009W), as the Statutory Auditors of the Company for a period of five financial years from 01.04.2014 to 31.03.2019 and the shareholders have accorded their approval in the AGM held on 30th September 2014.

The five year term of Statutory Auditors expired on 31.3.2019 and as per the provision of Section 139 of the Companies Act, 2013 read with Rule 3(7) of Companies (Audit and Auditors) Rules 2014, they are eligible to be reappointed for a further period 3 years. Therefore, the Board approved and recommended their reappointment for further period of 3 years beginning from 2019-20 to 2021-22 for further approval of shareholders in the ensuing Annual General Meeting scheduled to be held on 19th August, 2019.

**(B) Audit Report:**

During the year 2018-19, no frauds have either occurred or noticed and/or reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (as amended from time to time).

The observations made by the Statutory Auditors in their Audit Report read with the relevant notes thereof as stated in the Notes to the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2019 are self explanatory and being devoid of any reservation(s), qualification(s) or adverse remark(s) etc and do not call for any further information(s)/ explanation(s) or comments from the Board under Section 134(3)(f)(i) of the Companies Act, 2013.

**(C) Secretarial Auditor:**

Pursuant to Section 204 of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, The Board has re-appointed Mr. AKM & Associates, Practicing Company Secretary (Membership No.ACS 26145 and Certificate of Practice No10245) as the Secretarial Auditor of your Company to conduct Secretarial Audit for the financial year 2019-20.

**(D) Secretarial Audit Report:**

Secretarial Audit Report as issued by the Secretarial Auditor, in Form No. MR-3 for the financial year 2018-19 is annexed herewith vide '**Annexure - D**' and forms integral part of this Annual Report. The said Secretarial Audit Report being devoid of any reservation(s), adverse remark(s) and qualification(s) etc. do not call for any further explanation(s)/ information or comment(s) from the Board under Section 134(3) (f)(ii) of the Companies Act, 2013.

**(E) Cost Auditor:**

In terms of Section 148 of the Act, the Company is required to have the audit of its cost records conducted by a Cost Accountant. In this connection, the Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment of M/s. Manisha & Associates as the cost auditors of the Company for the year ending March 31, 2020.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board has to be ratified by the members of the Company. Accordingly, appropriate resolution forms part of the Notice convening the AGM. We seek your support in approving the proposed remuneration of Rs. 35,000/- plus applicable taxes and out-of-pocket expenses payable to the Cost Auditors for the Financial Year ending March 31, 2020. M/s. Manisha & Associates have vast experience in the field of cost audit and have been conducting the audit of the cost records of the Company for the past several years.

The Company has maintained such accounts and records as per the aforesaid provisions and further has filed Cost Audit Report for the financial year ended 31.03.2018 with the Central Government in XBRL Mode within the time limit prescribed under the Companies Act, 2013.

**19. PERSONNEL/PARTICULARS OF EMPLOYEES:**

Pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the requisite details are annexed herewith vide '**Annexure-E**' and are also available at the Registered Office of the Company for inspection during its business hours up to the date of AGM and any member interested in obtaining such information may directly write to the Company Secretary of Company and the same shall be provided on such request.

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

There are no investments made pursuant to Section 186 of the Companies Act, 2013. The Company has not given any guarantee or provided security during the year under review. The particulars of loans and advances given by the Company during the financial year 2018-19 are stated in Notes to the Audited Financial Statements of the Company as annexed to this Annual Report.

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

The Company has not entered into any Related Party Contract(s) /Transaction(s)/Arrangement(s) during the financial year 2018-19 pursuant to Section 188 (2) of the Companies Act 2013. Further, in accordance with Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, there were no materially significant related party contract(s)/ transaction(s)/arrangements entered by the Company which may have a potential conflict with the interest of the Company during the financial year. The Policy on dealing with Related Party Transactions has been placed on the Company's website and can be accessed at www.lloydsengg.in

**22. LISTING OF SHARES:**

The Equity Shares of the Company are continued to be listed and actively traded on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange Limited (NSE). The listing fees payable for the financial year 2019-2020 has been paid to both the Stock Exchanges (BSE & NSE) within the due dates.

**23. DEMATERIALIZATION OF SHARES:**

As on 31st March 2019, there were approximately 88,61,46,297 Equity Shares dematerialized through depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, which represents about 98.60% of the total issued, subscribed and paid-up capital of the Company.

**24. SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE:**

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

**25. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

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

**26. INVESTOR SERVICES:**

The Company and its Registrar M/s. Bigshare Services Private Limited who is looking after the Physical as well as Demat work and also shareholders correspondence in terms of SEBI directions for having a common Registrar and Share Transfer Agent, endeavored their best to service the Investors satisfactorily. Your Company has constituted a Committee comprising three Independent Directors of the Company to redress the investor grievances and the Committee met during the year to assess and note the complaints received and attended by the Company and RSTA.

**27. COMPLIANCE WITH SECRETARIAL STANDARDS**:

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

**28. GENERAL DISCLOSURES:**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions/ activities pertaining to these matters during F.Y. 2018-19:

a) Issue of equity shares with differential rights as to dividend, voting or otherwise.

b) Issue of shares (including sweat equity shares and ESOP) to employees of the Company under any scheme.

c) Instances with respect to voting rights not exercised directly by the employees of Company.

d) Neither the Managing Director nor the CFO of the Company receives any remuneration or commission from any other Company.

e) No significant or material orders were passed by the Regulators or Courts or Tribunals which can impact the going concern status and Company's operations in future.

f) No fraud has been reported by the Auditor in their Audit Report for F.Y. 2018-19, hence the disclosure u/s 134(3) (ca) is not applicable.

**29. ENCLOSURES**

**a. Annexure – A:** Corporate Governance Report;

**b. Annexure–B:** Report on Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo;

**c. Annexure – C:** Extract of Annual Return as of 31st March, 2019 in the prescribed Form No.MGT-9

**d. Annexure - D:** Secretarial Auditors Report in Form No. MR-3;

**e. Annexure – E**: Details of personnel/particulars of employees.

**30. ACKNOWLEDGMENT**

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

**For and on behalf of the Board**

**Sd/-**

**Date : 26.04.2019** **Ashok Tandon**

**Place: Mumbai** **Managing Director**

## ANNEXURE - A

## REPORT ON CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR 2018-19

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

### 2. BOARD OF DIRECTORS

**(a) Size and composition of the Board**

The Board of Directors of the Company comprises of Five (5) members, of which Three (3) are Non-Executive & Independent Directors and one Director is Additional and Non- Executive Director. None of the Directors on the Board holds directorships in more than ten Public Limited Companies. Further, none of them is a Member of more than ten committees or Chairman of more than five Committees across all Public Limited Companies in which he/she is a director. The necessary disclosures regarding Committee positions have been made by the Directors. None of the Directors are related to each other.

**(b) Memberships of other Boards / Board Committees**

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

**Table-1**

| Sr. No | Name and Designation (DIN) | Status/ Category | Attendance in FY 2018-19 | | Number of Directorships In other Companies | | Committee Membership and Chairmanship in other Public Ltd. Co.$ | | Shareholding in the Company |
|---|---|---|---|---|---|---|---|---|---|
| | | | Board Meetings (4 Meetings held) | AGM | Private | Public | Chairmanship | Membership | |
| 1. | Mr. Ashok Tandon (00028301) | Managing Director | 4 | Yes | - | - | - | - | - |
| 2. | Mr. Vishal Agarwal (00168370) | Independent Director | 3 | Yes | 1 | 2 | - | - | - |
| 3. | Mr. S. N. Singh (00398484) | Independent Director | 4 | Yes | - | 1 | - | - | - |
| 4. | Mrs. Bela Sundar Rajan (00548367) | Independent Director | 4 | Yes | 5 | - | - | - | - |
| 5. | Mr. Rajashekhar M. Alegavi* (03584302) | Additional & Non-Executive Director | 2 | N.A | 4 | 1 | - | - | - |

**Note:**

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

** Mr. Rajashekhar Alegavi was appointed as Additional Non-Executive Director w.e.f. 26.10.2018.*

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

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

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

The company has received confirmations from the Non-Executive Directors regarding compliance of the Code for the period ended 31st March, 2019. Both the Codes are posted on the website of the Company i.e. www.lloydsengg.in.

**(c) Board Meeting:**

The Board meets at regular intervals to discuss and decide on Company's business policies and strategy apart from other regular business matters. Board Meetings are usually held at the Corporate Office of the Company at Mumbai. During the financial year ended on 31st March, 2019, **Four** Board Meetings were held on 4th May, 2018, 4th August, 2018, 26th October, 2018 and 29th January 2019. Maximum time gap between two consecutive meetings had not exceeded 120 days.

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

**(d) Familiarization Programme for Independent Directors:**

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

The details of such familiarization programme held during the year 2018-19 are disclosed on the Company's website at www.lloydsengg.in

**(e) Declaration of Independent Directors**:

In terms of (i) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors hereby declares that the Independent Directors of the Company fulfills the conditions specified in Listing Regulations and Section 149 (6) of the Companies Act, 2013 and is independent of the management.

## 3. COMMITTEES OF THE BOARD

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

**(i) Audit Committee**

**a) Terms of Reference**

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

**b) Composition, Name of Members and Chairperson**

| Name of Member | No. of Meeting held | No. of Meeting attended |
|---|---|---|
| Mr. Vishal Agarwal (Chairman) | 4 | 3 |
| Mr. S.N. Singh | 4 | 4 |
| Mrs. Bela Sundar Rajan | 4 | 4 |

**c) Details of Audit Committee Meeting held during the year under review**

The Meetings were held on 4th May, 2018, 4th August, 2018, 26th October, 2018 and 29th January 2019. Managing Director, Internal Auditors and Statutory Auditors are invitees to the meeting. The CFO & Company Secretary of the Company acts as Secretary to the Committee.

**(ii) Nomination and Remuneration Committee**

**a) Terms of Reference**

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

**b) Composition, Name of Members and Chairperson**

| Name of Member | No. of Meeting held | No. of Meeting attended |
|---|---|---|
| Mr. S.N. Singh (Chairman) | 3 | 3 |
| Mr. Vishal Agarwal | 3 | 3 |
| Mrs. Bela Sundar Rajan | 3 | 3 |

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

Meeting was held on 04.05.2018, 26.10.2018 & 29.01.2019

**d) Remuneration Policy**

Remuneration Policy of the Company aims at recommending and reviewing the remuneration to Managing Director, Non-Executive Directors and Key Managerial Personnel of the Company and

is based on evaluation criteria such as industry benchmarks, Company's annual performance & its strategy, expertise, talent and meritocracy including criteria for determining qualification, positive attributes and independence of Director etc.

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

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

Directors express their satisfaction with the evaluation process.

**(iii) Stakeholders' Relationship Committee**

**a) Terms of Reference**

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

**b) Composition, Name of Members and Chairperson**

| Name of Member | No. of Meeting held | No. of Meeting attended |
|---|---|---|
| Mrs. Bela Sundar Rajan (Chairman) | 1 | 1 |
| Mr. Vishal Agarwal | 1 | 1 |
| Mr. S.N. Singh | 1 | 1 |

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

Meeting was held on 29.01.2019.

**d) Compliance officer**

| | |
|---|---|
| **Name, Designation and address of Compliance Officer** | **Mr. P.R. Ravi Ganesan**<br>Company Secretary & Compliance Officer<br>Trade World, 16th Floor, C-Wing,<br>Kamla City, Senapati Bapat Marg,<br>Lower Parel, Mumbai -400013<br>**Phone:** 022-6291 8220<br>**E-Mail:** prraviganesan@lloyds.in |

**e) Investors' Complaints**

| | |
|---|---|
| No. of Complaints pending as on 1st April, 2018 | 0 |
| No. of Complaints identified and reported during FY 2018-19 | 50 |
| No. of Complaints disposed during the year ended 31st March, 2019 | 50 |
| No. of pending Complaints as on 31st March, 2019 | 0 |

**(iv) Share Transfer Committee**

**a) Terms of Reference**

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

**b) Composition, Name of Members and Chairperson**

| Name of Member | No. of Meeting held | No. of Meeting attended |
|---|---|---|
| Mr. Ashok Tandon (Chairman) | 52 | 52 |
| Mr. Vishal Agarwal | 52 | 52 |
| Mr. S.N. Singh | 52 | 52 |

**c) Details of Share Transfer Committee Meetings held during the year under review.**

The meetings were held on following dates:

| Sr. No | Quarter | Date of Meetings |
|---|---|---|
| 01 | April 2018 to June 2018 | 06.04.2018, 13.04.2018, 20.04.2018, 27.04.2018, 04.05.2018, 11,05.2018, 18.05.2018, 25.05.2018, 31.05.2018, 08.06.2018, 15.06.2018, 22.06.2018 & 30.06.2018 |
| 02 | July 2018 to September 2018 | 06.07.2018, 13,07.2018, 20.07.2018, 27.07.2018, 03.08.2018, 10.08.2018, 17.08.2018, 24.08.2018, 31.08.2018, 07.09.2018, 14,09.2018, 21.09.2018 & 28.09.2018 |
| 03 | October 2018 to December 2018 | 05.10.2018, 12.10.2018, 19.10.2018, 26.10.2018, 02.11.2018, 09.11.2018, 16.11.2018, 23.11.2018, 30.11.2018, 07.12.2018, 14.12.2018, 21.12.2018 & 28.12.2018 |
| 04 | January 2019 to March 2019 | 04.01.2019, 11.01.2019, 18.01.2019, 25.01.2019, 01.02.2019, 08.02.2019, 15.02.2019, 22.02.2019, 01.03.2019, 08.03.2019, 15.03.2019, 22.03.2019 & 30.03.2019 |

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

## 4. REMUNERATION OF DIRECTORS:

The remuneration payable to the Executive Director is approved by the members at the general meeting of the Company. Remuneration of Executive Director consists of fixed salary, perquisites, allowances etc., Remuneration to Non-executive Directors consists of sitting fees. Details of the remuneration paid to Executive and non-executive directors are given below:

| S. No | Name of the Director | Salary | Perquisites and allowances | Sitting Fees | Total |
|---|---|---|---|---|---|
| 1. | Mr. Ashok Tandon | 55,21,860 | 39,15,516 | - | **94,37,376** |
| 2. | Mr. Vishal Agarwal | - | - | 38,000 | 38,000 |
| 3. | Mr. S. N. Singh | - | - | 42,000 | 42,000 |
| 4. | Mrs. Bela Sundar Rajan | - | - | 42,000 | 42,000 |
| 5. | Mr. Rajashekhar M. Alegavi | - | - | 8,000 | 8,000 |

*Note: There were no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company. The Company has not granted any stock option to any of its Non-Executive Directors. None of the Director(s) of the Company is related to any other Director(s) of the Company in any capacity.*

## 5. GENERAL BODY MEETINGS

### a. Annual General Meeting

The Annual General Meetings of the Company during the preceding three years were held at registered office of the Company at **Plot No. A-5/5, MIDC Industrial Area, Murbad, Dist. Thane – 421 401, Maharashtra** on the following dates and times, wherein the following special resolutions were passed:

| AGM | Year | Date, Day & Time | Brief Description of Special Resolution |
|---|---|---|---|
| 24th | 2017-2018 | 9th August, 2018 Thursday, 10.30 A.M. | 1. Revision in terms of remuneration of Mr. Ashok Tandon, Managing Director of the Company w.e.f.01.04.2018<br>2. Reappointment of Mr. Ashok Tandon as Managing Director of the Company for a further period of 3 years from 20.1.2019 |
| 23rd | 2016-2017 | 30th June, 2017 Friday, 11.30 A.M. | No Special Resolution was passed. |
| 22nd | 2015-2016 | 31st August 2016 Wednesday, 11.30 A.M. | 1. Appointment of Mr. Ashok Tandon as Managing Director for three years.<br>2. Appointment of Mr. Vishal Agarwal as Independent Director for five years.<br>3. Appointment of Mr. S.N. Singh as Independent Director for five years.<br>4. Appointment of Mrs. Bela Sundar Rajan as Independent Director for five years.<br>5. Authority for Creation of Charge/Mortgage on Property of the Company.<br>6. Authority to Board of Directors to borrow monies.<br>7. Giving of Loans/Guarantees, Providing of Securities and making of Investments in Securities.<br>8. Authority to enter into Related Party Transactions. |

### b. Extra Ordinary General Meeting (EGM)

No Extra Ordinary General Meeting (EGM) was held during the last financial year i.e 2018-2019.

### c. Postal Ballot

No Special Resolution was passed through postal ballot during the last financial year i.e 2018-19. There is no immediate proposal for passing any resolution through Postal Ballot.

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

## 6. MEANS OF COMMUNICATION

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

**7. GENERAL SHAREHOLDER INFORMATION:**

| | | | |
|---|---|---|---|
| **7.1** | **Annual General Meeting** | **Date : Monday, 19th August, 2019**<br>**Time :** 11.30 A.M.<br>**Venue:** Plot No. A-5/5, MIDC Industrial Area, Murbad, Dist. Thane - 421401, Maharashtra. | |
| **7.2** | **Financial Year** | 1st April, 2018 to 31st March, 2019 | |
| **7.3** | **Financial calendar** | Approval of quarterly results: April, July, October and January. Annual General Meeting in June/July/August. | |
| **7.4** | **Date of Book Closure** | 12.08.2019 to 19.08.2019 | |
| **7.5** | **Dividend Payment Date** | No Dividend was declared during the financial year 2018-19. | |
| **7.6** | **Listing on Stock Exchanges** | Equity Shares<br>**BSE Limited (BSE)**<br>Phiroze Jeejeebhoy Towers,<br>Dalal Street, Mumbai 400 001<br>Scrip Code: 539992<br>**ISIN No.**:INE093R01011 | Equity Shares<br>**National Stock Exchange Ltd.,**<br>Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra – Kurla Complex,<br>Bandra (E), Mumbai 400 051.<br>Scrip Code: LSIL<br>**ISIN No.:** INE093R01011 |
| **7.7** | **Annual listing fee** | Annual listing fee for the year 2019-20 has been paid to BSE and NSE within due date. | |
| **7.8** | **Correspondence Address** | **Corporate Office:**<br>Trade World, "C" Wing, 16th Floor, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai-400 013. Tel. No. 6291 8111. Fax No. 6291 8260 | |

**8. Stock Market Price Data – BSE & NSE**

| 2018-2019 | Quotation at Bombay Stock Exchange | | BSE Sensex Close | Quotation at National Stock Exchange | | NSE – NIFTY Close |
|---|---|---|---|---|---|---|
| | Share Price (In ₹) | | | Share Price (In ₹) | | |
| **Months** | **High** | **Low** | | **High** | **Low** | |
| April | 1.35 | 1.24 | 35,160.36 | 1.35 | 1.25 | 10,739.35 |
| May | 1.36 | 1.08 | 35,322.38 | 1.35 | 1.00 | 10,736.15 |
| June | 1.37 | 0.97 | 35,423.48 | 1.35 | 1.00 | 10,714.30 |
| July | 1.16 | 0.90 | 37,606.58 | 1.15 | 0.90 | 11,356.50 |
| August | 1.28 | 0.91 | 38,645.07 | 1.25 | 0.90 | 11,680.50 |
| September | 2.14 | 1.25 | 36,227.14 | 1.85 | 1.25 | 10,930.45 |
| October | 1.44 | 1.06 | 34,442.05 | 1.45 | 1.10 | 10,386.60 |
| November | 1.29 | 1.00 | 36,194.30 | 1.25 | 1.00 | 10,876.75 |
| December | 1.29 | 1.11 | 36,068.33 | 1.25 | 1.05 | 10,862.55 |
| January | 1.19 | 1.00 | 36,256.69 | 1.20 | 1.00 | 10,830.95 |
| February | 1.18 | 0.84 | 35,867.44 | 1.15 | 0.80 | 10,792.50 |
| March | 1.15 | 0.88 | 38,672.91 | 1.15 | 0.85 | 11,623.90 |

**9. Registrar and Share Transfer Agent**

**M/s Bigshare Services Private Limited**
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East), Mumbai -400 059
Phone : 022-6263 8222/223/236
Fax : 022-6263 8299
E-Mail : http://www.bigshareonline.com/contact.aspx

**10. Share Transfer System**

The Company has retained M/s. Bigshare Services Private Limited of Mumbai to carry out the transfer related activities. Authorized personnel are approving the transfer on periodical basis. All valid transfers are effected within stipulated days. Share certificates received at Registered Office are also sent to Registrars and Share Transfer Agents for doing the needful. In case of electronic transfers, the bye laws of Depositories are complied with.

**11. Reconciliation of Share Capital Audit**

The Reconciliation of Share Capital Audit is conducted by a Chartered Accountant in practice to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited ("Depositories") and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with Depositories) and that the requests for dematerialization of shares are processed by the R&T agent within stipulated period of 21 days and uploaded with the concerned depositories.

**12. Distribution of Shareholding:**

The shareholding distribution of equity shares as on 31st March, 2019 is given hereunder: (Nominal value of each share ₹ 1/-)

| NO. OF SHAREHOLDERS | % OF TOTAL | SHARE HOLDING | NO OF SHARES | % OF TOTAL |
|---|---|---|---|---|
| 154415 | 96.3486 | 1-5000 | 57192193 | 6.3639 |
| 2720 | 1.6972 | 5001-10000 | 21548659 | 2.3978 |
| 1448 | 0.9035 | 10001-20000 | 21672334 | 2.4115 |
| 536 | 0.3344 | 20001-30000 | 13494668 | 1.5016 |
| 251 | 0.1566 | 30001-40000 | 8950111 | 0.9959 |
| 220 | 0.1373 | 40001-50000 | 10299743 | 1.1461 |
| 396 | 0.2471 | 50001-100000 | 29779935 | 3.3137 |
| 281 | 0.1753 | 100001 AND ABOVE | 735760739 | 81.8696 |
| **160267** | **100.00** | **Total** | **898698382** | **100.00** |

**13. Categories of Shareholders (as on 31st March, 2019)**

The categories of shareholders are shown hereunder:

| CATEGORY | NO OF SHAREHOLDERS | NO OF SHARES | % OF HOLDING |
|---|---|---|---|
| PROMOTERS | 2 | 414441116 | 46.12 |
| BANK / FINANCIAL INSTITUTIONS | 21 | 85511910 | 9.51 |
| MFs & UTI | 54 | 397530 | 0.04 |
| FII/ NRI /OCB's | 3821 | 5055517 | 0.56 |
| CLEARING MEMBERS | 166 | 12013956 | 1.34 |
| CORPORATE BODIES | 748 | 154393358 | 17.18 |
| CORPORATE BODIES NBFC | 3 | 7140 | 0.00 |
| PUBLIC | 155448 | 226877107 | 25.25 |
| TRUST | 3 | 612 | 0.00 |
| STATE GOVERNMENT | 1 | 136 | 0.00 |
| **TOTAL** | **160267** | **898698382** | **100.00** |

**14. Top Ten Shareholders across all categories as on 31st March, 2019:**

| SR. NO. | NAME OF SHAREHOLDERS | NO OF SHARES | %OF HOLDING |
|---|---|---|---|
| 1. | Firstindia Infrastructure Private Limited | 288073478 | 32.05 |
| 2. | Metallurgical Engineering And Equipments Limited | 126367638 | 14.06 |
| 3. | Shree Global Tradefin Limited | 94492624 | 10.51 |
| 4. | IDBI Bank Limited | 82521946 | 9.18 |
| 5. | Vistra ITCL India Limited | 39471661 | 4.39 |
| 6. | Ragini Trading & Investments Limited | 9686386 | 1.08 |
| 7. | Stock Holding Corporation of India Ltd., | 5336456 | 0.59 |
| 8. | Champshi Manekji Shah | 4767675 | 0.53 |
| 9. | Jasmini Atul Shah | 4565300 | 0.51 |
| 10. | Atul Champshi Shah | 4565297 | 0.51 |

**15. Dematerialization of Shares**

As per SEBI's direction the Company had signed tripartite agreements with both the Depositories (NSDL & CDSL) and Registrars and Transfer Agents. Accordingly, dematerialization facility for the shares of the Company is available and it is in the interest of all the shareholders to convert their physical holdings into electronic holdings by dematerialization. As on 31st March, 2019, **88,61,46,297** shares were held in dematerialized form which constitutes approximately **98.60%** of total number of subscribed shares.

**16. Liquidity**

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

**17. Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, Conversion date and date and likely impact on the Equity:** Not applicable

**18. Information on Deviation from Accounting Standards, if any**

There has been no deviation from the Accounting Standards in preparation of annual accounts for the financial year 2018-19

**19. Commodity price risk or foreign exchange risk and hedging activities**:

Not Applicable

**20. Plant & Registered office**

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

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

**21. Address for Correspondence**

**Investor Correspondence:**

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

**Bigshare Services Private Ltd**
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East), Mumbai 400 059
Tel No. – 022 – 6263 8222/223/236
Fax No. – 022 – 6283 8299

E-mail: **http://www.bigshareonline.com/contact.aspx**

**Any query on Annual Report**
**Secretarial Department:**
Trade World, 'C' wing,16th Floor, Kamala City,
Senapati Bapat Marg, Lower Parel (W),
Mumbai- 400 013.
Tel. No. 022-6291 8220 / 8111
Fax No. 022-6291 8263
E mail: infoengg@lloyds.in, prraviganesan@lloyds.in

**22. OTHER DISCLOSURES:**

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

There were no transactions with related parties pursuant to section 188 of Companies Act, 2013. The policy on dealing with related party transaction is placed on the Company's website at www.lloydsengg.in.

**b. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last 3 years :** None

**c. Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee:**

The Company has a Whistle Blower Policy that provides a formal mechanism for all employees of the Company to approach the Chairman of the Audit Committee of the Company and make protective disclosures about the unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct.

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

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

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

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

Not Applicable

**f. Weblink where policy on dealing with Related Party Transactions:**

http://www.lloydsengg.in/content/Related_Party_Disclosures_Policy.pdf

**g. Green Initiative.**

Pursuant to section 101 and 136 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and Companies (Accounts) Rules, 2014, the Company can send Notice of Annual General Meeting, financial statements and other Communication in electronics forms. This Company is sending the Annual Report including the Notice of Annual General Meeting, Audited Financial Statements, Directors Report, Auditors Report along with the annexure etc. for the financial year 2018-19 in the electronic mode to the shareholders who have registered their e-mail ID's with the Company and/or their respective Depository Participates (DPS).

Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses. Those holding shares in Demat form can register their e-mail addresses with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the Company, by sending a letter, duly signed by the first/sole holder quoting details of Folio No.

**23. Non-compliance of any requirement of corporate governance report of sub-paras mentioned above with reasons thereof shall be disclosed**

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

**24. The disclosures of the compliance with corporate governance requirements specified in regulations 17 to 27 and clause (b) to clause (i) of sub-regulation (2) of regulation 46 shall be made in the section of corporate governance of the annual report:** Complied wherever applicable.

**25. Disclosure by Key Managerial Personnel about Related Party Transactions:**

There was no related party transactions during the financial year ended 31st March, 2019. The Company has laid down a policy for dealing with Related Party Transactions. This policy is displayed on the website of the Company, viz, www.lloydsengg.in

**26. Disclosure of Accounting Treatment**

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

**27. Proceeds from Public Issues, Rights Issues, Preferential Issues etc.**

The company has not made any capital issues during the financial year.

**28. Matters related to Capital Markets**

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

**29. Management Discussion & Analysis Report**

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

**30. Disclosures With Respect To DEMAT Suspense Account/ Unclaimed Suspense Account**

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 the listed entity shall disclose the details with respect to Demat Suspense Account/Unclaimed Suspense Account in its annual report, as long as there are shares in the unclaimed suspense account. The Company has sent intimation and reminders pursuant to the requirement of Regulation 39(4) of SEBI (LODR) to the Shareholders during the Financial Year and shall be transferring the unclaimed shares to the Unclaimed Suspense Account in due course.

**31. CEO/CFO Certification**

The Managing Director and the Chief Financial Officer of the Company have given a certificate to the Board of Directors as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulation, for the year ended 31st March, 2019. Certification from Company Secretary in Practice M/s. Saurabh Arora & Co, Practicing Company Secretaries, has issued a Certificate as required under the Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of Companies by the SEBI/Ministry of Corporate Affairs or any such Statutory Authority. The Certificate is enclosed with this report as **Annexure - I**.

**32. Declaration of Compliance of the Code of Conduct in terms of Schedule V(D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given hereunder**:

In terms of Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per "Affirmation of Compliance" letters received from the Directors and the Members of the Senior Managerial Personnel of the Company, I hereby declare that Members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board Directors and Senior Management during the Financial Year 2018-19.

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

**Sd/-**

**Dated : 26th April, 2019** **Ashok Tandon**
**Place : Mumbai** **Managing Director**

## ANNEXURE - I

**CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE**

**(Pursuant to clause 10 of Part C of Schedule V of LODR)**

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of The Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015; (LODR) in respect of **Lloyds Steels Industries Limited (CIN: L28900MH1994PLC081235)** I hereby certify that :

On the basis of the written representation/declaration received from the Directors and taken on record by the Board of Directors, as on 31st March, 2019, none of the directors on the board of the Company has been debarred or disqualified from being appointed or continuing as Director of Companies by the SEBI / Ministry of Corporate Affairs or any such Statutory Authority.

**Sd/-**
**CS Saurabh Arora,**
**For Saurabh Arora & Co.,**
Practicing Company Secretary
Membership No.43368
COP No.19371

Date: 26th April, 2019
Place: Mumbai

**ANNEXURE-B**

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

1. Murbad Works of the company adopts a cautious approach in power and fuel consumption by optimizing the operation of shifts and by following strict fuel consumption measures.

2. Foreign Exchange Earnings and Outgo (Rs. in Lakhs)

| Account Head | 2018-19 | 2017-18 |
|---|---|---|
| **Earnings:** | | |
| Technical Consultants | 3.07 | 32.57 |
| Technical Assistance | 19.93 | 77.94 |
| FOB Value of Exports | - | 158.93 |
| **Outgo:** | | |
| Travelling | 2.68 | 9.53 |
| Raw Materials, Stores and Spares | 1713.66 | 622.20 |
| Engineering and Design | 60.41 | 56.56 |
| Technical and Professional Charges | - | 105.20 |
| Membership & Subscription | - | 14.68 |
| Testing Charges | 8.09 | 7.93 |
| Repairs & Maintenance – Plant & Machinery | 3.57 | - |
| Business/Sales Promotion Expenses | 1.38 | - |

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

**Sd/-**

**Dated : 26th April, 2019** **Ashok Tandon**
**Place : Mumbai** **Managing Director**

# ANNEXURE - C

## Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

**As on the financial year ended on 31st March, 2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

### I. REGISTRATION AND OTHER DETAILS:

| | | |
|---|---|---|
| 1. | **CIN** | L28900MH1994PLC081235 |
| 2. | **Registration Date** | 19/09/1994 |
| 3. | **Name of the Company** | LLOYDS STEELS INDUSTRIES LIMITED |
| 4. | **Address of the Registered office and contact details.** | Plot No A-5/5 MIDC Industrial Area, Murbad, Dist. Thane-421 401. |
| 5. | **Category/Sub Category of the Company** | Company Limited by Shares/Indian Non Government Company |
| 6. | **Whether Listed Company (Yes/No)** | Yes |
| 7. | **Name, Address and Contact details of Registrar and Transfer Agent, if any** | Bigshare Services Private Limited<br>1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,<br>Makwana Road, Marol, Andheri East,<br>Mumbai, Maharashtra - 400 059.<br>Phone: 022- 62638200 /223/236, Fax: 022-62638299,<br>Email Id : http://www.bigshareonline.com/contact.aspx |

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

| Sl. No | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---|---|---|---|
| 1 | Manufacturing of Engineering Equipments | 2811 | 100% |

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: -

| Sr. No. | Name and Address of the Company | CIN/GLN | Holding/Subsidiary/ Associate of the Company | % of Shares held | Applicable Section |
|---|---|---|---|---|---|
| --------NOT APPLICABLE------- | | | | | |

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

**i) Category-wise Share Holding**

| Category of Shareholders | No of Shares held at the beginning of the year | | | | No. of Shares held at the end of the Year | | | | % Change during the Year |
|---|---|---|---|---|---|---|---|---|---|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| **A. Promoter** | | | | | | | | | |
| **1. Indian** | | | | | | | | | |
| a. Individual/HUF | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 |
| b. Central Govt. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 |
| c. State Govt. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 |
| d. Bodies Corp. | 414441116 | 0 | 414441116 | 46.12 | 414441116 | 0 | 414441116 | 46.12 | 0 |
| e. Bank/FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 |
| f. Any Other | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 |
| **Sub Total-A(1)** | **414441116** | **0** | **414441116** | **46.12** | **414441116** | **0** | **414441116** | **46.12** | **0** |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **2. Foreign** | | | | | | | | | |
| a. NRI Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 |
| b. Other Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 |
| c. Body Corporate | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 |
| d. Bank/FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 |
| e. Any Other | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 |
| **Sub Total-A(2)** | **0** | **0** | **0** | **0.00** | **0** | **0** | **0** | **0.00** | **0** |
| **Total Shareholders of Promoters -A(1+2)** | **414441116** | **0** | **414441116** | **46.12** | **414441116** | **0** | **414441116** | **46.12** | |
| **B. Public Shareholding** | | | | | | | | | |
| **1. Institution** | | | | | | | | | |
| a. Mutual Funds | 602 | 396928 | 397530 | 0.04 | 602 | 396928 | 397530 | 0.04 | 0.00 |
| b. Bank/FI | 125205630 | 4017 | 125209647 | 13.93 | 85508097 | 3813 | 85511910 | 9.52 | -4.42 |
| c. Central Govt. | 0 | 0 | 0 | 0.00 | 136 | 0 | 136 | 0.00 | 0.00 |
| d. State Govt. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e. Venture Capital | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| f. Insurance Co. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| g. FIIs | 0 | 40800 | 40800 | 0.00 | 0 | 40800 | 40800 | 0.00 | 0.00 |
| h. Foreign portfolio Corporate | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| i. Foreign Venture Capital Fund | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| j. Others | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Sub Total-B(1)** | **125206232** | **441745** | **125647977** | **13.98** | **85508835** | **441541** | **85950376** | **9.56** | **-4.42** |
| **2. Non-Institution** | | | | | | | | | |
| a. Body Corp | 172313245 | 303107 | 172616352 | 19.21 | 302111 | 154091247 | 154393358 | 17.18 | -2.03 |
| b. Individual | | | | | | | | | |
| i. Individual Shareholders holding nominal share capital upto Rs 2 lakh | 98573944 | 11447040 | 110020984 | 12.24 | 163156880 | 11118887 | 174275767 | 19.39 | 7.15 |
| ii. Individual Shareholders holding nominal share capital in excess of Rs 2 lakh | 11429960 | 0 | 11429960 | 1.27 | 52601340 | 0 | 52601340 | 5.85 | 4.58 |
| c. Others | | | | | | | | | |
| i. NRI | 10367827 | 696486 | 11064313 | 1.23 | 4325443 | 689274 | 5014717 | 0.56 | -0.67 |
| ii. Foreign National | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| iii. OCB | 48295072 | 0 | 48295072 | 5.37 | 0 | 0 | 0 | 0 | -5.37 |
| iv. Trust | 340 | 272 | 612 | 0.00 | 340 | 272 | 612 | 0 | 0.00 |
| v. In Transit | 5164856 | 0 | 5164856 | 0.57 | 12013956 | 0 | 12013956 | 1.34 | 0.76 |
| vi. Unclaimed Suspense Account | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0 | 0.00 |
| vii. Body Corporate NBFS | 17140 | 0 | 17140 | 0.00 | 7140 | 0 | 7140 | 0 | 0.00 |
| **Sub Total-B(2)** | **346162384** | **12446905** | **358609289** | **39.90** | **232407210** | **165899680** | **398306890** | **44.32** | **4.42** |
| **Net Total -B(1+2)** | **471368616** | **12888650** | **484257266** | **53.88** | **317916045** | **166341221** | **484257266** | **53.88** | **0.00** |
| **C. Shares held by Custodian for GDRs & ADRs** | | | | | | | | | |
| Promoter & Promoter Group | 0 | | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Public | 0 | | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| **Grand Total (A+B+C)** | **885809732** | **12888650** | **898698382** | **100.00** | **732357161** | **166341221** | **898698382** | **100** | |

**ii) Share Holding of Promoters:**

| Sr. No. | Shareholder's Name | Shareholding at the beginning of the Year | | | Shareholding at the end of the Year | | | % Change in Shareholding during the Year |
|---|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of total Shares of the Company | % of Shares pledged/ encumbered to total Shares | No. of Shares | % of total Shares of the Company | % of Shares pledged/ encumbered to total Shares | |
| 1 | Metallurgical Engineering And Equipments Limited | 126367638 | 14.06 | 0 | 126367638 | 14.06 | 0 | 0.00 |
| 2 | Firstindia Infrastructure Private Limited | 288073478 | 32.05 | 0 | 288073478 | 32.05 | 0 | 0.00 |

**iii) Change in Promoters' Shareholding (please specify, if there is no change)**

| Sr No. | Name of Promoter | Shareholding at the beginning of the Year | | Cumulative Shareholding during the Year | |
|---|---|---|---|---|---|
| | | No. of Shares | % of total Shares of the Company | No. of Shares | % of total Shares of the Company |
| 1. | No Change | | | | |

**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

| Sr. No. | Top Ten Shareholders | Shareholding at the beginning of the Year | | Sr. No. | Top Ten Shareholders | Shareholding at the end of the Year | |
|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of total Shares of the Company | | | No. of Shares | % of total Shares of the Company |
| 1 | Shree Global Tradefin Ltd | 128081806 | 14.25 | 1 | IDBI Bank Limited | 82521946 | 9.18 |
| 2 | IDBI Bank Limited | 89861770 | 9.99 | 2 | Shree Global Tradefin Ltd | 94492624 | 10.51 |
| 3 | Metal Industrial Pte Ltd (Formerly known as UD Industrial Holding Pte Ltd) | 48295072 | 5.37 | 3 | Vistra ITCL India Limited | 39471661 | 4.39 |
| 4 | State Bank of India | 32357710 | 3.60 | 4 | Ragini Trading & Investments Ltd | 9686386 | 1.08 |
| 5 | Triumph Trade & Properties Developer Ltd | 25435376 | 2.83 | 5 | Stock Holding Corporation of India Limited | 5336456 | 0.59 |
| 6 | Ragini Trading & Investments Ltd | 9686386 | 1.07 | 6 | Champshi Manekji Shah | 4767675 | 0.53 |
| 7 | Sanjeev Garg | 7808620 | 0.87 | 7 | Jasmini Atul Shah | 4565300 | 0.50 |
| 8 | Life Insurance Corprn. Ltd | 2985127 | 0.33 | 8 | Atul Champshi Shah | 4565297 | 0.50 |
| 9 | Girdharlal Seksaria | 1008966 | 0.11 | 9 | Damayanti Champshi Shah | 4473800 | 0.50 |
| 10 | Angel Broking Private Ltd | 1000645 | 0.11 | 10 | Life Insurance Corporation of India | 2985127 | 0.33 |

**v) Shareholding of Directors and Key Managerial Personnel:**

| Sr No. | For each of the Directors and KMP | Shareholding at the beginning of the Year | | Shareholding at the end of the Year | |
|---|---|---|---|---|---|
| | Name of the Director/KMP | No. of Shares | % of total Shares of the Company | No. of Shares | % of total Shares of the Company |
| -------NOT APPLICABLE--------- | | | | | |

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due or payment

| Particulars | Secured Loans excluding Deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|---|---|---|---|
| **Indebtedness at the beginning of the financial year** | | | | |
| 1. Principal Amount | 0 | 0 | 0 | 0 |
| 2.Interest due but not paid | 0 | 0 | 0 | 0 |
| 3.Interest accrued but not due | 0 | 0 | 0 | 0 |
| **Total of (1+2+3)** | **0** | **0** | **0** | **0** |
| **Change in Indebtedness during the financial year** | | | | |
| +Addition | | | | |
| -Reduction | **0** | **0** | **0** | **0** |
| Net Change | | | | |
| **Indebtedness at the end of the financial year** | | | | |
| 1.Principal Amount | 0 | 0 | 0 | 0 |
| 2.Interest due but not paid | 0 | 0 | 0 | 0 |
| 3.Interest accrued but not due | 0 | 0 | 0 | 0 |
| **Total of (1+2+3)** | **0** | **0** | **0** | **0** |

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| Sr No. | Particulars of Remuneration | Name of MD/ WTD/Manager | Total |
|---|---|---|---|
| | | Mr. Ashok Tandon Managing Director | |
| 1. | Gross Salary | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act | 94,37,376 | 94,37,376 |
| | (b)Value of perquisites u/s 17 (2)of Income Tax Act | 0 | 0 |
| | (c)Profits in lieu of salary u/s 17 (3) of Income tax Act | 0 | 0 |
| 2. | Stock Option | 0 | 0 |
| 3. | Sweat Equity | 0 | 0 |
| 4. | Commission<br>- As % of profit<br>- Others, specify | 0 | 0 |
| 5. | Contribution to Provident Fund | 6,62,628 | 6,62,628 |
| 6. | Performance Bonus | 0 | 0 |
| | **Total (A)** | **1,01,00,004** | **1,01,00,004** |
| | Ceiling as per the Act (Other-than contribution to PF) | **1,68,00,000** | |

B) Remuneration to other Directors:

| Sr. No. | Particulars of Remuneration | Name of Directors | | | | Total Amount in Rs. |
|---|---|---|---|---|---|---|
| | | Mr. Vishal Agarwal | Mr. S. N Singh | Mrs. Bela Sundar Rajan | Mr. Rajashekhar M. Alegavi | |
| **1. Independent Directors** | | | | | | |
| | Fee for attending Board Committee meetings | **38,000** | **42,000** | **42,000** | **8,000** | **1,30,000** |
| | Commission | - | - | - | - | - |
| | Others | - | - | - | - | - |
| | **Total(1)** | **38,000** | **42,000** | **42,000** | **8,000** | **1,30,000** |

2. Other non Executive Directors: **Not Applicable**

| **Other Non Executive Directors** | | | | | **Total (Amount in Rs)** |
|---|---|---|---|---|---|
| Fee for attending Board Committee meetings | - | - | - | - | - |
| Commission | - | - | - | - | - |
| Others | - | - | - | - | - |
| **Total (2)** | - | - | - | - | - |
| **Total B=(1+2)** | **38,000** | **42,000** | **42,000** | **8,000** | **1,30,000** |
| Ceiling as per the Act | - | | | | |

C). Remuneration to Key Managerial Personnel other than MD/Manager/WTD

| Sr. No | Particulars of Remuneration | P.R. Ravi Ganesan (CFO & CS) | Total |
|---|---|---|---|
| 1 | Gross Salary | - | - |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 | **53,92,097** | **53,92,097** |
| | (b) Value of perquisites u/s 17 (2)of Income Tax Act, 1961 | - | - |
| | (c) Profits in lieu of salary u/s 17 (3) of Income tax Act, 1961 | - | - |
| 2 | Stock Option | - | - |
| 3 | Sweat Equity | - | - |
| 4 | Commission<br>- As % of profit<br>- Others, specify | - | - |
| 5 | Contribution to Provident Fund | **3,78,672** | **3,78,672** |
| 6 | Performance Bonus | - | - |
| | Total C | **57,70,769** | **57,70,769** |
| | Ceiling as per the Act | **NA** | **NA** |

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES (under the Companies Act):**

| Type | Section of the Companies Act | Brief Description | Details of penalty/ punishment/ Compounding fees imposed | Authority (RD, NCLT, Court) | Appeal made if any (give details) |
|---|---|---|---|---|---|
| **A .COMPANY** | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |
| **B. DIRECTORS** | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |
| **C. OTHER OFFICERS IN DEFAULT** | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |

## Annexure - D

## FORM - MR-3

## SECRETARIAL AUDIT REPORT

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2019**

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

To,
The Members,
**LLOYDS STEELS INDUSTRIES LIMITED (CIN :L28900MH1994PLC081235)**
**Thane, Maharashtra**

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

Based on my verification of the Lloyds Steels Industries Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2019 according to the provisions of:

(i) The Companies Act, 2013(the Act)and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA')and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (not applicable to the company during the Audit period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the company during the Audit period);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the company during the Audit period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the company during the Audit period);

(i) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with stock exchanges read with Securities and Exchange Board of India (listing obligations and disclosure requirements)Regulations, 2015;

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

I further report that:

The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

**For AKM & Associates**
**Company Secretaries**

**Sd/-**
**Arun Kumar Mohta**
Proprietor
ACS No.: 26145
C P No.: 10245

Place: Mumbai
Date: 26th April, 2019

**ANNEXURE - E**

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

(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 are as under:

| Sr. No | Name of Director/ KMP and Designation | Remuneration of Director/KMP for Financial year 2018-19 (in ₹) | % increase in Remuneration in the Financial Year 2018-19 | Ratio of Remuneration of each Director/ to median remuneration of employees |
|---|---|---|---|---|
| 1. | Mr. Ashok Tandon Managing Director | 1,01,00,004/- | 12.22 | 27.10 |
| 2. | Mr. P.R. Ravi Ganesan Chief Financial Officer & Company Secretary | 57,70,769/- | 28.87 | Not Applicable |

**Note: Except Key Managerial Personnel i.e. Managing Directors, Chief Financial officer and Company Secretary, no other directors received any remuneration from the company other than sitting fees for attending Board meetings and committees meetings.**

(ii) The median remuneration of employees of the Company during the financial year was Rs.3,72,680/-

(iii) In the Financial Year, there was an increase of 7.77% in the median remuneration of Employees due to increase in the number of employees from 159 to 165.

(iv) There were 165 permanent employees on the rolls of Company as on 31st March, 2019.

(v) Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentile increase made in the salaries of employees other-than the Managerial Personnel in the last year was NIL. There was an increase of 12.22% in the Managerial Remuneration.

(vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

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

| Sr. No. | Name | Designation | Age (in years) | Remuneration (In ₹) | Qualification | Experience (in years) | Last Employment Held | Commencement of Employment | Percentage of equity shares held by the employees |
|---|---|---|---|---|---|---|---|---|---|
| 01. | Mr. Ashok Tandon | Managing Director | 60 | 1,01,00,004 | BE(Mech.) | 40 | Nippon Denro Ispat Ltd., | 01.01.1995 | NA |
| 02. | Mr. P.R Ravi Ganesan | Chief Financial Officer & Company Secretary | 60 | 57,70,769 | M.Com, ACA, ACS | 36 | Essar Shipping Ltd | 27.06.1995 | NA |
| 03 | G.K. Patel* | Sr.V.P(Plant) | 53 | 29,03,588 | D.M.E (Mech.) | 30 | Ahmed Mansar, Bahrain | 02.04.2018 | NA |
| 04. | Mr. Saiprasad Gangishetti* | V.P- Marketing | 55 | 27,27,251 | BE, MBA | 30 | Jindal Steel & Power Machinery Divn. | 03.07.2017 | NA |
| 05. | Mr. S.V. Nagraj | GM- Projects & Marketing | 56 | 20,98,788 | BE (Elec.) | 33 | NELCO Ltd., | 13.06.1994 | NA |
| 06. | Mr. Deepak Mayekar | G.M – P&A | 59 | 13,45,992 | BA, MLS DIP. TU&IR | 36 | Vijay Fire Protection System Ltd | 07.11.1994 | NA |
| 07. | Mr. Manoj Kumar Kesharwani | G.M – Projects | 56 | 11,92,488 | BE (Mech.) | 32 | Walchand Nagar Inds. Ltd., | 12.11.2012 | NA |
| 08. | Mr. J.S. Malhotra | AGM-Production | 51 | 10,45,422 | BE (Mech.) | 29 | Mukund Ltd., | 12.12.2009 | NA |
| 09. | Mr. Mohan N. Mohape | AGM-QA-QC | 52 | 10,43,060 | D.M.E (Mech.) | 23 | Industrial Manufacture | 19.02.2007 | NA |
| 10 | Sajan Jacob | DGM (Comm) | 59 | 10,18,814 | B.Com | 38 | Lloyds Steels | 02.05.1981 | NA |

* *Employed for part of the year.*

**Notes:**

1. Details of Employees who were:
   (A) Employed throughout the Financial Year under review and in receipt of remuneration for the Financial Year in the aggregate of not less than Rs.1,02,00,000 per annum- **None**
   (B) Employed for part of the Financial Year under review and in receipt of remuneration at the rate of not less than Rs. 8,50,000/- per month - **None**
2. There was no other employee either employed throughout the financial year or part thereof who was in receipt of remuneration which in the aggregate was in excess of that drawn by the Managing Director or Whole-time Director and who held by himself or alongwith his spouse or dependent children two percent or more of the Equity Shares of the Company.
3. None of the above employees is a relative of any Director of the Company.

## CERTIFICATE

**Sexual Harassment of Women at the Workplace and its Prevention, Prohibition & Redressal [Pursuant to Section 22 & 28 of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013]**

This is to certify that:

**Lloyds Steels Industries Limited** ("the Company") has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees etc) are covered under this Policy.

The following is the Summary of sexual harassment complaints received and disposed off during the year under reviews i.e. Financial Year 2018 - 2019:

| | |
|---|---|
| Number of Complaints received | Nil |
| Number of Complaints disposed off | Nil |

For **Lloyds Steels Industries Limited**

**Sd/-**

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

**Ashok Tandon**
**Managing Director**

## Auditors Certificate regarding Compliance of Conditions of Corporate Governance

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

We have examined the compliance of conditions of Corporate Governance by Lloyds Steels Industries Limited (the Company), for the year ended 31st March, 2019, as prescribed in Regulations 17to 27, 46 (2) (b) to (i) and para C and D of Schedule V of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

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

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

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

**For Todarwal & Todarwal LLP**
**Chartered Accountants**
**ICAI Reg. No.111009W/W100231**

**Sd/-**
**Sunil L. Todarwal**
**Partner**
**M.No.032512**

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

## CEO/CFO CERTIFICATE

**[Regulation 17(8)]**

To,
The Board of Directors
**Lloyds Steels Industries Limited**

We hereby certify that we have reviewed the Financial Statements and the Cash Flow Statement for the Financial Year Ended 31st March, 2019 and that to the best of our knowledge and belief:

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

**Sd/-**
**Ashok Tandon**
**Managing Director**

**Sd/-**
**P.R. Ravi Ganesan**
**Chief Financial Officer**

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

## DECLARATION REGARDING COMPLIANCE OF COMPANY'S CODE OF CONDUCT BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL OF THE COMPANY

This is to confirm that the Company has adopted a Code of Conduct for its Directors and Senior Management Personnel of the Company.

Based on the declarations received from the respective Directors and Senior Management Personnel of the Company, I hereby confirm that the Company has duly complied with the Code of Conduct of Company in respect of Financial Year ended on 31st March, 2019.

For the purpose of this declaration, Senior Management Team includes Managing Director, Executive Director, Chief Financial Officer (CFO), Company Secretary and President Level employees of the Company.

For **Lloyds Steels Industries Limited**

**Sd/-**

**Ashok Tandon**
**Managing Director**

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

# INDEPENDENT AUDITOR'S REPORT

**To, The Members of Lloyds Steels Industries Limited**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the accompanying standalone financial statements of Lloyds Steels Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

1. **Evaluation of Contingent Liabilities**

   Claims against the company not acknowledged as debts are disclosed in the financial statements. The existence of the payments against these claims requires management judgment to ensure disclosure of most appropriate values of contingent liabilities.

   (Refer Note 18 to the Financial Statements)

**Auditors Response**

Our audit procedures include, among others, assessing the appropriateness of the management's judgment in estimating the value of claims against the company not acknowledged as debts as given in the note 18.

2. **Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard)**

   The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

   (Refer to Notes 2.18 to the Financial Statements)

   **Auditors Response**

   We assessed the entities process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:

1. Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.
2. Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls.
3. Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.
4. Selected a sample of continuing and new contracts and performed the following procedures :
   - Read, analyzed and identified the distinct performance obligations in these contracts.
   - Compared these performance obligations with that identified and recorded by the company.

– Samples in respect of revenue recorded for time and material contracts were tested using a combination of approved time sheets including customer acceptances, subsequent invoicing and historical trend of collections and disputes.

– In respect of samples relating to fixed-price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with actual and estimated efforts from the time recording and budgeting systems. We also tested the access and change management controls relating to these systems.

– Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts.

– Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.

– We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

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

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

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

**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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Ind-AS and other accounting principles generally accepted in India. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based

on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Report on Other Legal and Regulatory Requirements**

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.

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 Company has no branch office and hence the company is not required to conduct audit under section 143 (8) of the Act;

d) The Balance Sheet, the Statement of Profit and Loss(including Other Comprehensive Income), the Cash flow statement, and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

e) In our opinion, the aforesaid standalone Ind-AS financial statements comply with the Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Act, read with the Companies (Accounts) Rules, 2014;

f) On the basis of the written representations received from the directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **'Annexure B'**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over financial Reporting; and

h) 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 has disclosed the impact of pending claims on its financial position as per the Notes to the Financial Statement. Refer Note18 to the financial statements.

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) The Company is not required to transfer any amount to the Investor Education and Protection Fund by the Company.

**For Todarwal & Todarwal LLP**
**Chartered Accountants**
**ICAI Reg. No. : 111009W/W100231**

**Sd/-**
**Sunil Todarwal**
**Partner**
**M. No. : 032512**

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

## ANNEXURE - A TO INDEPENDENT AUDITOR'S 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 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records 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 controls over financial reporting were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Todarwal & Todarwal LLP**
**Chartered Accountants**
**ICAI Reg. No. : 111009W/W100231**

**Sd/-**
**Sunil Todarwal**
**Partner**
**M. No. : 032512**

**Dated : 26th April, 2019**

**Place : Mumbai**

## ANNEXURE – B TO THE INDEPENDENT AUDITOR'S REPORT

**REPORT ON THE FINANCIAL STATEMENTS OF LLOYDS STEELS INDUSTRIES LIMITED AS ON 31ST MARCH 2019.**

1 (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed Assets.

(b) As per 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, the title deed of immovable properties are held in the name of the company except in the case of one land parcel the reason for which is given in "Note no. 5 – Property, plant and equipment" of the financials.

2. As per the information provided to us, Inventory has been physically verified by the management during the year and no material discrepancies were noticed.

3. (a) According to information and explanation given to us, the Company has not granted unsecured loans to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.

In view of the above, provisions of clause 3(iii) (b) and (c) are not applicable to the company.

4. In our opinion and according to information and explanation given to us, the company has, in respect of loans, investments, guarantees, and security provisions, complied with section 185 and 186 of the Companies Act, 2013.

5. According to the information and explanation given to us, the company has not accepted any deposits, whether the directives issued by the Reserve Bank of India, and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013. Hence the provisions of clause 3(v) are not applicable to the company.

6. Pursuant to the rules made by the Central Government, the maintenance of Cost Records has been prescribed u/s. 148(1) of the Companies Act, 2013. We are of the view that prima facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

7. (a) According to the books and records as produced and examined 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, Custom Duty, Cess, Goods & Service Tax 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, Goods & Service Tax or Cess.

8. According to the information and explanation given to us and based on the records produced before us, the company has not defaulted in repayments of loans.

9. 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). The Company has not taken any term loan during the year.

10. During the course of our examination of the books of account carried in accordance with the generally accepted auditing standards in India, we have neither come across any instance of fraud on or by the Company, either noticed or reported during the year, nor have we been informed of such case by the Management.

11. According to the information and explanation given to us and the books of accounts verified by us, the Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

12. The Company is not a Nidhi Company, hence the provision of clause 3(xii) are not applicable to the company.

13. According to the information and explanation given to us, there are no transactions with the related parties.

14. According to information and explanation given to us, the Company during the year, has not made any preferential allotment or private placement of shares or fully or partly convertible debentures, hence the provision of clause 3(xiv) are not applicable to the company.

15. According to the information and explanation given to us and the books of accounts verified by us, the company has not entered into any non-cash transactions with directors or persons connected with him.

16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Todarwal & Todarwal LLP**
**Chartered Accountants**
**ICAI Reg. No. : 111009W/W100231**

**Sd/-**
**Sunil Todarwal**
**Partner**
**M. No. : 032512**

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

# LLOYDS STEELS INDUSTRIES LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2019

(₹ in Lakhs)

| Particulars | Note No. | As at 31st March, 2019 | As at 31st March, 2018 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-Current Assets** | | | |
| (a) Property, Plant and Equipment | 5 | 1,058.11 | 1,043.56 |
| (b) Intangible Assets | 6 | 95.98 | 95.98 |
| (c) **Financial Assets** | | | |
| (i) Security Deposits & Others | 7 | 9.92 | 10.17 |
| (d) Deferred Tax Assets (Net) | 8 | 901.28 | 922.61 |
| (e) Other Non-current Assets | 9 | 4.34 | 0.43 |
| **Sub Total Non-Current Assets** | | **2,069.63** | **2,072.75** |
| **Current Assets** | | | |
| (a) Inventories | 10 | 3,386.31 | 1,047.30 |
| (b) **Financial Assets** | | | |
| (i) Trade Receivables | 11 | 9,330.14 | 16,798.57 |
| (ii) Cash and Cash Equivalent | 12 | 2,237.04 | 2,040.57 |
| (iii) Loans | 7 | 1,907.70 | 2,767.00 |
| (iv) Other Financial Assets | 7 | 103.58 | 15.43 |
| (c) Current Tax Assets (Net) | | 350.45 | 301.99 |
| (d) Other Current Assets | 9 | 19,400.85 | 25,968.13 |
| **Sub Total Current Assets** | | **36,716.07** | **48,938.99** |
| **TOTAL ASSETS** | | **38,785.70** | **51,011.74** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| (a) Equity Share Capital | 13 | 8,986.98 | 8,986.98 |
| (b) Other Equity | | 1,967.00 | 1,697.91 |
| **Total Equity** | | **10,953.98** | **10,684.89** |
| **LIABILITIES** | | | |
| **Non Current Liabilities** | | | |
| (a) **Financial Liabilities** | | | |
| (i) Long Term Borrowings | 14 | 87.94 | 28.24 |
| (b) Provisions | 15 | 474.55 | 431.35 |
| **Sub Total Non Current Liabilities** | | **562.49** | **459.59** |
| **Current Liabilities** | | | |
| (a) **Financial Liabilities** | | | |
| (i) Trade Payables | | | |
| Micro, Small & Medium Enterprises | 16 | 96.11 | 49.82 |
| Other Creditors | | 3,447.80 | 1,220.11 |
| (ii) Others | 14 | 179.35 | 146.53 |
| (b) Provisions | 15 | 70.74 | 17.15 |
| (c) Other Current Liabilities | 17 | 23475.23 | 38,433.65 |
| **Sub Total Current Liabilities** | | **27,269.23** | **39,867.26** |
| **Total Liabilities** | | **27,831.72** | **40,326.85** |
| **TOTAL EQUITY AND LIABILITIES** | | **38,785.70** | **51,011.74** |

The accompanying notes form an integral part of these financial statements

As per our report of even date
**For Todarwal & Todarwal LLP**
**Chartered Accountants**
**ICAI Registration No 111009W/W100231**
**Sd/-**
**Sunil L. Todarwal**
**Partner**
**Membership No. : 032512**

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

**Sd/-**
**Ashok Tandon**
**Managing Director**
**DIN : 00028301**

**Sd/-**
**Vishal Agarwal**
**Director**
**DIN : 00168370**

**Sd/-**
**P. R. Raviganesan**
**CFO & Company Secretary**

Place : Mumbai
Date : 26th April, 2019

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lakhs)

| Particulars | Note No. | For the Year Ended 31st March, 2019 | For the Year Ended 31st March, 2018 |
|---|---|---|---|
| **CONTINUING OPERATIONS** | | | |
| Revenue from Operations | 19 | 9,771.78 | 12,250.25 |
| Other Income | 20 | 1003.67 | 3,428.35 |
| **Total Revenue From Operation** | | **10,775.45** | **15,678.60** |
| | | | |
| **Expenses** | | | |
| Cost of Raw Material Consumed | 21 | 4,850.17 | 6,065.10 |
| Purchase of Traded Goods | | -- | 2,896.51 |
| Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade | 22 | (1,040.22) | 2,029.78 |
| Excise Duty | | -- | 52.13 |
| Employee Benefits Expense | 23 | 1,388.11 | 1,236.21 |
| Manufacturing and Other Expenses | 24 | 5,122.91 | 2,971.19 |
| Finance Costs | 25 | 33.18 | 28.57 |
| Depreciation and Amortization Expense | 26 | 105.37 | 101.00 |
| **Total Expenses** | | **10,459.52** | **15,380.49** |
| **Profit before Exceptional Items and Tax** | | **315.93** | **298.11** |
| Exceptional Items | | -- | -- |
| **Profit Before Tax** | | **315.93** | **298.11** |
| Tax Expense: | | | |
| (1) Current Tax | | 65.04 | 54.82 |
| (2) Deferred Tax | | (84.59) | (57.52) |
| (3) Deferred Tax Reversals | | 47.98 | 93.46 |
| **Total Tax Expenses** | | **28.43** | **90.76** |
| **Profit for the period** | | **287.50** | **207.35** |
| **Other Comprehensive Income** | | | |
| Items not to be reclassified to profit or loss | | | |
| Re-measurement (losses)/gains on defined benefit plans | | (25.52) | (10.52) |
| Income Tax Credit/ (expenses) | | 7.10 | 3.25 |
| **Other Comprehensive Income for the year** | | **(18.42)** | **(7.27)** |
| **Total Comprehensive (loss) / gain for the year** | | **269.08** | **200.08** |
| **Earnings per share (In Rupees) (Face value Re.1/- each)** | | | |
| **Basic and Diluted** | | **0.03** | **0.02** |

The accompanying notes form an integral part of these financial statements

As per our report of even date

**For Todarwal & Todarwal LLP**
**Chartered Accountants**
**ICAI Registration No 111009W/W100231**
**Sd/-**
**Sunil L. Todarwal**
**Partner**
**Membership No. : 032512**

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

**Sd/-**
**Ashok Tandon**
**Managing Director**
**DIN : 00028301**

**Sd/-**
**Vishal Agarwal**
**Director**
**DIN : 00168370**

**Sd/-**
**P. R. Raviganesan**
**CFO & Company Secretary**

Place : Mumbai
Date : 26th April, 2019

## STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lakhs)

| Particulars | Share Capital | | Other equity - Reserves and Surplus | | | Total Equity |
|---|---|---|---|---|---|---|
| | No. of Shares | Amount | Capital Reserve | Retained Earnings | Total | |
| **As at March 31, 2017** | **898698382** | **8,986.98** | **5.00** | **1,492.84** | **1,497.84** | **10,484.82** |
| Profit for the year | -- | -- | -- | 207.35 | 207.35 | 207.35 |
| Other Comprehensive Income (Net of Tax) | -- | -- | -- | (7.27) | (7.27) | (7.27) |
| **As at March 31, 2018** | **898698382** | **8,986.98** | **5.00** | **1,692.92** | **1,697.92** | **10,684.90** |
| Profit for the year | -- | -- | -- | 287.50 | 287.50 | 287.50 |
| Other Comprehensive Income (Net of Tax) | -- | -- | -- | (18.42) | (18.42) | (18.42) |
| **As at March 31, 2019** | **898698382** | **8,986.98** | **5.00** | **1,962.00** | **1,967.00** | **10,953.98** |

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

As per our report of even date
**For Todarwal & Todarwal LLP**
**Chartered Accountants**
**ICAI Registration No 111009W/W100231**
**Sd/-**
**Sunil L. Todarwal**
**Partner**
**Membership No. : 032512**

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

**Sd/-**
**Ashok Tandon**
**Managing Director**
**DIN : 00028301**

**Sd/-**
**Vishal Agarwal**
**Director**
**DIN : 00168370**

**Sd/-**
**P. R. Raviganesan**
**CFO & Company Secretary**

Place : Mumbai
Date : 26th April, 2019

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lakhs)

| | Particulars | For the Year Ended 31st March, 2019 | For the Year Ended 31st March, 2018 |
|---|---|---|---|
| A | **CASH FLOW FROM OPERATING ACTIVITIES :** | | |
| | **Profit After Tax** | **269.08** | **200.08** |
| | Adjustments For: | | |
| | Depreciation and Amortization Expenses | 105.37 | 101.00 |
| | Loss on disposal of Property, Plant & Equipment (Net) | (0.19) | 4.52 |
| | Interest Income | (935.85) | (576.63) |
| | Finance Costs | 33.18 | 28.57 |
| | Unrealized Exchange (Gain) /Loss (Net) | (46.00) | 33.37 |
| | **Operating Profit/(Loss) Before Working Capital Changes** | **(574.41)** | **(209.09)** |
| | **Movements in Working Capital** | | |
| | Decrease in Inventories | (2,339.01) | 2,127.17 |
| | Decrease / (Increase) in Trade and Other Receivables | 14,456.99 | 2,321.41 |
| | (Decrease) / Increase in Trade Payable and Other Liabilities | (12,449.12) | (4,680.83) |
| | **Net Cash Used In Operating Activities (A)** | **(905.54)** | **(441.34)** |
| | | | |
| B | **CASH FLOW FROM INVESTING ACTIVITIES :** | | |
| | Decrease/(Increase) in Property, Plant & Equipment. | (119.74) | (93.45) |
| | Interest Received | 935.85 | 576.63 |
| | **Net Cash Generated From Investing Activities (B)** | **816.11** | **483.18** |
| | | | |
| C | **CASH FLOW FROM FINANCING ACTIVITIES :** | | |
| | Finance Costs | (33.18) | (28.57) |
| | **Net Cash Used In Financing Activities (C)** | **(33.18)** | **(28.57)** |
| | **Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)** | **(122.61)** | **13.27** |
| | Cash and Cash Equivalents at the Beginning of the Period | 266.43 | 253.16 |
| | Cash and Cash Equivalents at the End of the Period | 143.82 | 266.43 |
| | **Net increase/(decrease) in cash and cash equivalents** | **(122.61)** | **13.27** |
| | **Components of Cash and Cash Equivalents** | | |
| | Cash on Hand | 3.68 | 2.46 |
| | **Balance with Bank** | | |
| | Balance with Schedule Banks in : Current Accounts | 140.14 | 263.97 |
| | In Margin Account (Including FDR) | 2,093.22 | 1,774.14 |
| | **Cash and Bank balances as per Note 12** | **2,237.04** | **2,040.57** |
| | Less: Margin Money not considered as Cash and Cash Equivalent in Cash Flow | 2,093.22 | 1,774.14 |
| | **Total Cash and Cash Equivalents** | **143.82** | **266.43** |

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

**Notes :**

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

As per our report of even date

**For Todarwal & Todarwal LLP**
**Chartered Accountants**
**ICAI Registration No 111009W/W100231**
**Sd/-**
**Sunil L. Todarwal**
**Partner**
**Membership No. : 032512**

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

**Sd/-**
**Ashok Tandon**
**Managing Director**
**DIN : 00028301**

**Sd/-**
**Vishal Agarwal**
**Director**
**DIN : 00168370**

**Sd/-**
**P. R. Raviganesan**
**CFO & Company Secretary**

Place : Mumbai
Date : 26th April, 2019

## Notes to Financial Statements

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

**1. Corporate Information**

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

**2. Summary Of Significant Accounting Policies**

**2.1 Basis of Preparation**

This financial statement has been prepared to comply in all material respects with the Indian Accounting Standard ('Ind AS') notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs ('MCA'). In addition, the Guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations requires a different treatment.

**Presentation of Financial Statements**

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

The financial statements are authorized for issue by the Company's Board of Directors at their meeting held on April 26, 2019.

The preparation of the said financial statements requires the use of certain critical accounting estimates and judgments. It also requires the management to exercise judgment in the process of applying the Company's accounting policies. The areas where estimates are significant to the financial statements, or areas involving a higher degree of judgment or complexity, are disclosed in Note 3.

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

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

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

**2.2 Basis of Measurement**

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

**Fair Value Measurement**

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

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

**2.3 Basis of Transition to Ind-AS**

Ind-AS 101 allows first-time adopters certain optional exemptions and mandatory exceptions from the retrospective application of certain requirements under Ind-AS.

**A.** Exemptions / exceptions from full retrospective application

i) Deemed cost exemption - The company has adopted the carrying value determined in accordance with

IGAAP for all of its property, plant & equipment as deemed cost of such assets at the transition date.

**B.** The following mandatory exceptions from retrospective application of Ind AS have been applied by the Company.

i. Estimates exception - On an assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind-AS, as there is no objective evidence that those estimates were in error.

ii. De-recognition of financial assets and liabilities exception - Financial assets and liabilities de-recognized before transition date are not re-recognized under Ind-AS.

**2.4 Foreign Currency Transactions**

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

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

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

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

**2.5 Current Versus Non-Current Classification**

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

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

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

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

**2.6 Property, Plant And Equipment ('PPE')**

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

Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts of property, plant and equipment are required to be replaced in regular intervals, the Company recognizes such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is de-recognized from the balance sheet and cost of the new item of PPE is recognized.

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

Depreciation on PPE is computed using the straight-line method over the estimated useful lives. Depreciation is provided as per useful life of the assets as prescribed in schedule II of the Companies Act. Freehold / Leasehold land is not depreciated as it has an unlimited useful life. The Company has established the estimated range of useful lives of different categories of PPE as follows:

| Particulars | Useful life (in years) |
|---|---|
| Leasehold Land | 99 |
| Factory Building | 30 – 60 |
| Plant & Machinery | 15 |
| Computers | 3 – 6 |
| Electrical Installations | 10 |
| Office Equipments and AC | 5 – 8 |
| Furniture and Fixtures | 10 |
| Motor Vehicles | 8 - 10 |

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

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

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

**2.7 Intangible Assets**

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

**2.8 Impairment Of Non-Financial Assets - PPE**

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

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

**Reversal Of Impairment Losses**

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

**2.9 Financial Instruments**

**a. Recognition, Classification And Presentation**

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

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

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

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

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

**b. Measurement Of Financial Instruments**

I. **Initial Measurement**

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

**II. Subsequent Measurement - Financial Assets**

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

**i. Financial Assets Measured At Amortized Cost**

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

**ii. Fair Value Through Other Comprehensive Income (FVOCI):**

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

**iii. Fair Value Through Profit Or Loss**

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

**Impairment**

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

**III SUBSEQUENT MEASUREMENT - FINANCIAL LIABILITIES**

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

**c. De-recognition**

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

**2.10 Taxes**

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

**a. Current Tax**

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

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

**b. Deferred Tax**

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

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. However, if these are unabsorbed depreciation, carry forward losses and items relating to capital losses, deferred tax assets are recognized when there is reasonable certainty that there will be sufficient future taxable income available to realize

the assets. Deferred tax assets in respect of un-utilized tax credits which mainly relate to minimum alternate tax are recognized to the extent it is probable that such un-utilized tax credits will get realized.

The unrecognized deferred tax assets/carrying amount of deferred tax assets are reviewed at each reporting date for recoverability and adjusted appropriately.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

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

2.11 **Inventories**

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

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

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

*Material and other supplies held for use in the production of the inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost.

**2.12 Cash And Cash Equivalents**

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

**2.13 Share Capital**

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

**2.14 Employee Benefits**

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

**a. Short Term Employee Benefits**

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

**b. Post Employment Benefits - Gratuity**

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

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

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

The interest expense is calculated by applying the above mentioned discount rate to the defined benefit obligations liability. The interest expense on the defined benefit liability is recognized in the statement of profit and loss. However, the related re-measurements of the defined benefit liability is recognized directly in the other comprehensive

income in the period in which it arises. The said re-measurements comprise of actuarial gains and losses (arising from experience adjustments and changes in actuarial assumptions). Re-measurements are not re-classified to the statement of profit and loss in any of the subsequent periods.

**c. Other Employee Benefits – Leave Encashment**

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

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

**2.15 Provisions**

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

**2.16 Amortization of Expenses**

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

**2.17 Contingencies**

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

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

2.18 **Revenue Recognition**

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

**a. Revenue From Operations**

i) **Sale Of Goods**

Revenue from the sale of manufactured and traded goods is recognized when significant risks and rewards of ownership of goods have been transferred, effective control over the goods no longer exists with the company, amount of revenue / costs in respect of the transactions can reliably be measured and probable economic benefits associated with the transactions will flow to the company.

ii) **Rendering Of Services**

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

**b. Other Revenue**

1) **Customs Duty**

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

2) **Interest Income**

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

3) **Other Income/Miscellaneous Income**

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

**2.19 Borrowing Costs**

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

**2.20 Earnings Per Share ('EPS')**

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

**2.21 Statement Of Cash Flows**

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

i. changes during the period in inventories and operating receivables/payables transactions of a non-cash nature;

ii. non-cash items such as depreciation, provisions, deferred taxes, unrealized foreign currency gains and losses and undistributed profits of associates; and

iii. all other items for which the cash effects are investing or financing cash flows.

3. **Critical Judgements And Estimation In Applying The Company's Accounting Policies**

The estimates and judgments used in the preparation of the financial statements are based on historical experience and various other assumptions and factors (including expectations of future events), that the Company believes to be reasonable under the existing circumstances. The said estimates and judgements are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date**.**

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

**The areas involving critical estimates and judgements are:**

a) Estimation of current tax expenses and payable - Refer Note No. 8

b) Recognition of deferred tax assets for carried forward tax losses - Refer Note No. 8

c) Revenue Recognition - Refer Note No. 19

d) Estimation of defined benefit obligation – Refer Note No. 23

4. **The amendments issued by the Ministry of Corporate Affairs, Government of India on March 28, 2018, to various Ind-AS vide the Companies (Indian Accounting Standards) Amendment Rules, 2018 have been applied to the extent applicable to the company.**

5. **Property, Plant And Equipment (PPE)**

**The following table presents the reconciliation of changes in the carrying value of PPE for the year ended March 31, 2019.**

| Sr. No | Class of Assets | Gross Block | | | | Depreciation | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | As at 01. 04.2018 | Additions | Disposals | As at 31.03.2019 | As at 01.04.2018 | For the Year | Disposals | As at 31. 03.2019 | As at 31.03.2019 | As at 31.03.2018 |
| 1 | Land | 146.66 | -- | -- | 146.66 | -- | -- | -- | -- | 146.66 | 146.66 |
| 2 | Building | 812.39 | -- | -- | 812.39 | 488.18 | 23.16 | -- | 511.34 | 301.05 | 324.21 |
| 3 | Plant & Machinery | 3248.37 | 4.87 | -- | 3253.24 | 2,942.39 | 21.86 | -- | 2,964.25 | 288.99 | 305.98 |
| 4 | Computers | 175.29 | 2.63 | -- | 177.92 | 164.69 | 2.53 | — | 167.22 | 10.70 | 10.60 |
| 5 | Electrical Installations | 139.06 | 5.48 | -- | 144.54 | 119.81 | 5.06 | -- | 124.87 | 19.67 | 19.25 |
| 6 | Office Equipments & AC | 83.86 | 0.87 | -- | 84.73 | 77.87 | 0.89 | -- | 78.76 | 5.97 | 5.99 |
| 7 | Furniture & Fixtures | 254.49 | -- | -- | 254.49 | 130.85 | 21.63 | -- | 152.48 | 102.00 | 123.64 |
| 8 | Motor Vehicles | 260.47 | 107.37 | 22.83 | 345.01 | 153.24 | 30.23 | 21.52 | 161.95 | 183.07 | 107.24 |
| | **Total** | **5,120.59** | **121.22** | **22.83** | **5,218.98** | **4,077.03** | **105.37** | **21.52** | **4,160.87** | **1,058.11** | **1,043.56** |

**Note: The Immovable Properties at A-5/5 and A-6/3, Murbad were subjected to Second Charge for the benefit of the Lenders of Uttam Value Steels Limited before transfer of the Engineering Division of UVSL into our Company.**

**6. Intangible Assets**

**The following table presents the reconciliation of changes in the carrying value of PPE for the year ended March 31, 2019.**

| Sr. No | Class of Assets | Gross Block | | | | Depreciation | | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | As at 01.04.2018 | Additions | Disposals | As at 31.03.2019 | As at 01.04.2018 | For the Year | Disposals | Adjustments | As at 31.03.2019 | As at 31.03.2019 | As at 31.03.2018 |
| 1 | Goodwill | 95.98 | -- | -- | 95.98 | -- | -- | -- | -- | -- | 95.98 | 95.98 |
| | Total | 95.98 | -- | -- | 95.98 | -- | -- | -- | -- | -- | 95.98 | 95.98 |

**7. Loans And Security Deposits**

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|---|---|
| **Non-current** | | |
| Security Deposits, considered good | 9.92 | 10.17 |
| **Total** | **9.92** | **10.17** |
| | | |
| **Current** | | |
| Loans to Others, considered good - Unsecured | 1,907.70 | 2,767.00 |
| Security Deposits, considered good | 17.60 | 3.73 |
| Others | 85.98 | 11.70 |
| **Total** | **2,011.28** | **2,782.43** |

**8. Income Taxes**

The major components of Income Tax Expense are:

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|---|---|
| **Current Income Tax** | | |
| For the year | 65.04 | 54.82 |
| | | |
| **Deferred Tax*** | | |
| Origination and reversal of temporary differences | (43.71) | 32.69 |
| **Income Tax Expense** | **21.33** | **87.51** |

* Includes minimum alternate tax (MAT) credit of Rs.65.04 Lakhs and Rs.54.82 Lakhs for the year ended March 31, 2019 and March 31, 2018 respectively.

The reconciliation between the amounts computed by applying the statutory income tax rate to the (loss) / profit before tax and tax (income) / expenses charge is summarized below:

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|---|---|
| Profit before tax | 290.41 | 287.59 |
| Tax expense @ company's domestic tax rate of 27.82% (Previous year @ 30.90%) | 80.79 | 88.87 |
| Effect of: | | |
| income (net of expenses) not taxable | (59.46) | (1.36) |
| **Income tax expense** | **21.33** | **87.51** |

**The Analysis Of Deferred Tax Assets and Expenses is as follows:**

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|---|---|
| **Deferred tax assets** | | |
| Unabsorbed Depreciation | 938.72 | 1,035.41 |
| Employee benefits | 20.27 | (6.38) |
| Depreciation on property, plant and equipment | (86.62) | (143.65) |
| Demerger Expenses Amortised | 28.91 | 37.23 |
| **Net deferred tax assets** | **901.28** | **922.61** |

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|---|---|
| **Deferred tax expense** | | |
| Unabsorbed Depreciation | 96.68 | 85.12 |
| Employee benefits | (26.65) | (5.95) |
| MAT Credit | (65.04) | (54.82) |
| Depreciation on property, plant and equipment | (57.02) | (7.15) |
| Tax effect on various other items | 8.32 | 15.49 |
| **Net deferred tax expenses/ (income)** | **(43.71)** | **32.69** |

**The movement in deferred tax assets and liabilities during the year is as follows:**

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|---|---|
| **Opening balance** | **922.61** | **1,101.81** |
| MAT Credit of earlier years | (65.04) | (146.52) |
| Tax (expense)/ income recognised in statement of profit and loss | 36.61 | (35.93) |
| Tax income/ (expense) recognised in OCI | 7.10 | 3.25 |
| **Closing Balance** | **901.28** | **922.61** |

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

**9. Other Non-Financial Assets**

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|---|---|
| **Non-current** | | |
| Prepaid Expenses | 4.34 | 0.43 |
| **Total** | **4.34** | **0.43** |
| | | |
| **Current** | | |
| Prepaid expenses | 9.18 | 10.39 |
| Advance to suppliers | 18,926.48 | 25,853.97 |
| Taxes recoverable | 325.54 | 1.72 |
| Others | 139.65 | 102.05 |
| **Total** | **19,400.85** | **25,968.13** |

Taxes recoverable primarily include GST.

**10. Inventories**

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|---|---|
| Raw Materials | 1,274.27 | 283.98 |
| Work-in-progress | 1,526.01 | 411.60 |
| Stores and spares | 584.32 | 275.82 |
| Scrap & By-products | 1.71 | 75.90 |
| **Total** | **3,386.31** | **1,047.30** |

Note: During the year Rs. Nil (previous year: Rs. Nil) was recognised as expense towards write-down of inventory.

**11. Trade Receivables**

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|---|---|
| **Unsecured** | | |
| Considered good | 9,330.14 | 16,798.57 |
| Considered doubtful | -- | -- |
| **Total** | **9,330.14** | **16,798.57** |
| Less: Provision for doubtful receivables | **--** | **--** |
| **Total receivables** | 9,330.14 | 16,798.57 |

**12. Cash And Cash Equivalents**

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|---|---|
| **Balances with banks** | | |
| On current accounts | 140.14 | 263.97 |
| Bank deposits with original maturity of three months or less | -- | -- |
| Cash in hand | 3.68 | 2.46 |
| **Other Bank Balance** | | |
| Margin Money Deposit | 2,093.22 | 1,774.14 |
| **Total** | **2,237.04** | **2,040.57** |

**13. Share Capital**

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|---|---|
| **Authorized Share Capital** | | |
| 90,00,00,000 Equity Shares of Re 1/- each | 9,000.00 | 9,000.00 |
| | | |
| **Issued, Subscribed and fully paid-up shares** | | |
| 89,86,98,382 Equity shares of Re 1/- each | 8,986.98 | 8,986.98 |
| **Total** | **8,986.98** | **8,986.98** |

**i. Terms and Rights attached to equity shares.**

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

**ii. Details of shareholders holding more than 1% shares in the company**

| Name of Shareholders | As at March 31, 2019 | | As at March 31, 2018 | |
|---|---|---|---|---|
| | (Nos.) | (% holding) | (Nos.) | (% holding) |
| First India Infrastructure Private Limited (Formerly known as Ultimate Logistics solutions Pvt. Ltd.) | 288073478 | 32.05% | 288073478 | 32.05% |
| Metallurgical Engineering and Equipments Ltd | 126367638 | 14.06% | 126367638 | 14.06% |
| Shree Global Tradefin Ltd | 94492624 | 10.52% | 128081806 | 14.25% |
| IDBI Bank Limited | 82521946 | 9.18% | 89861770 | 9.99% |
| Vistra ITCL India Limited | 39471661 | 4.39% | - | - |
| Ragini Trading & Investment Limited | 9686386 | 1.08% | 9686386 | 1.08% |
| Metal Industrial PTE Limited ( Formerly UD Industrial Holding Pte Limited) | - | - | 48295072 | 5.37% |
| State Bank of India | - | - | 32357710 | 3.60% |
| Triumph Trade & Properties Developers P. Limited | - | - | 25435376 | 2.83% |

**14. Financial Liabilities – Others**

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|---|---|
| **Non-current** | | |
| **Long Term Borrowings** | | |
| Secured | | |
| HDFC Bank Limited (Car Loan) | 87.94 | 28.24 |
| **Total** | **87.94** | **28.24** |
| | | |
| **Current** | | |
| Secured | | |
| Short Term Maturity of Long Term Borrowing | 30.50 | 15.34 |
| **Total** | **30.50** | **15.34** |
| | | |
| **Others** | | |
| **Current** | | |
| Employees Payable | 82.25 | 89.22 |
| Provision For Expenses | 66.60 | 41.97 |
| **Total** | **179.35** | **146.53** |

**15. Provisions**

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|---|---|
| Gratuity | 457.20 | 382.61 |
| Compensated absence | 88.09 | 65.89 |
| **Total** | **545.29** | **448.50** |
| **Non-current – Provisions** | **474.55** | **431.35** |
| **Current – Provisions** | **70.74** | **17.15** |

Refer Note 23 for movement of provision towards employee benefits.

**16. Trade Payables**

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|---|---|
| Micro, Small and Medium Enterprises | 96.11 | 49.82 |
| Due to others | 3,447.80 | 1,220.11 |
| **Total** | **3,543.91** | **1,269.93** |

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

**17. Other Non-Financial Liabilities**

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|---|---|
| **Current** | | |
| Advances from Customers | 23,434.79 | 38361.38 |
| **Others** | | |
| Taxes Payable | 40.44 | 72.27 |
| **Total** | **23,475.23** | **38,433.65** |

Taxes payable include GST and other taxes payable.

**18. Contingent Liabilities & Commitments**

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|---|---|
| **Contingent Liabilities** | | |
| A) Claims against the Company, not acknowledged as debts | 856.00 | 856.00 |
| B) Guarantees | | |
| Guarantees issued by the Company's bankers on behalf of the Company | 2,024.74 | 1,635.31 |
| | | |

**19. Revenue From Operations**

| Particulars | For the Year Ended | |
|---|---|---|
| | March 31, 2019 | March 31, 2018 |
| **Sale of Products** | | |
| Finished Goods | 9,168.52 | 8,709.37 |
| Traded Goods | -- | 2,911.35 |
| | | |
| **Other Operating Revenue** | | |
| Sale of scrap & By Products | 25.15 | 15.93 |
| Job work charges | 578.11 | 613.60 |
| **Total** | **9,771.78** | **12,250.25** |

**20. Other Income**

| Particulars | For the Year Ended | |
|---|---|---|
| | March 31, 2019 | March 31, 2018 |
| **Interest Income** | | |
| On Bank Deposits | 142.29 | 125.57 |
| From others | 793.56 | 451.06 |
| | | |
| **Other Non – Operating Income** | | |
| Lease rent received | -- | 0.41 |
| Miscellaneous Income | 20.92 | 78.44 |
| Liabilities no longer required, written back (net) | 0.90 | 2,806.24 |
| Net Gain/(Loss) on Foreign Currency transaction | 46.00 | (33.37) |
| **Total** | **1,003.67** | **3,428.35** |

**21. Cost of Raw Materials Consumed**

| Particulars | For the Year Ended | |
|---|---|---|
| | March 31, 2019 | March 31, 2018 |
| **Cost of raw materials consumed** | | |
| Iron & Steel, etc. | 4,850.17 | 6,065.10 |
| **Total** | **4,850.17** | **6,065.10** |

**22. Changes In Inventories Of Finished Goods, Work-In-Progress.**

| Particulars | For the Year Ended | |
|---|---|---|
| | March 31, 2019 | March 31, 2018 |
| **Inventories at the end of the year** | | |
| Finished goods (scrap) | 1.71 | 75.90 |
| Work-in-progress | 1,526.01 | 411.60 |
| | | |
| **Inventories at the beginning of the year** | | |
| Finished goods (scrap) | 75.90 | 1.36 |
| Work-in-progress | 411.60 | 2,515.91 |
| **Total Decrease in Stock** | **(1,040.22)** | **2,029.77** |

**23. Employee Benefits Expenses As Per IND AS – 19.**

| Particulars | For the Year Ended | |
|---|---|---|
| | March 31, 2019 | March 31, 2018 |
| Salaries, wages and bonus | 1119.87 | 977.44 |
| Contribution to provident and other fund | 75.08 | 75.56 |
| Gratuity & leave encashment expenses | 107.16 | 90.67 |
| Staff welfare /workmen expenses | 17.15 | 19.31 |
| Managerial Remuneration | 94.37 | 83.75 |
| Re-measurement gain/(loss) recognized in Other Comprehensive Income | (25.52) | (10.52) |
| **Total** | **1,388.11** | **1,236.21** |

**Defined Benefit Plan**

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

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

**The details of defined benefit obligations are as follows:**

| Name of Shareholders | For the Year Ended March 31,2019 | | For the Year Ended March 31,2018 | |
|---|---|---|---|---|
| | Gratuity | Compensated absence | Gratuity | Compensated absence |
| **Obligation:** | | | | |
| Balance as at beginning of the year | 382.61 | 65.89 | 329.46 | 66.64 |
| Current service cost | 28.91 | 18.20 | 24.77 | 21.30 |
| Interest cost | 29.46 | 5.07 | 24.71 | 5.00 |
| Benefits paid | (8.07) | (2.31) | (29.48) | (4.42) |
| Re-measurements | 24.29 | 1.23 | 33.15 | (22.63) |
| **Present value of Defined benefit obligation** | **457.20** | **88.09** | **382.61** | **65.89** |
| Current portion | 56.49 | 31.56 | 15.79 | 1.36 |
| Non-current portion | 400.71 | 56.53 | 366.82 | 64.53 |

**Amount recognized in other comprehensive income**

| Particulars | For the Year Ended | |
|---|---|---|
| | March 31, 2019 | March 31, 2018 |
| Re-measurements | 25.52 | 10.52 |
| **Total** | **25.52** | **10.52** |

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

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

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

**Existing assumptions**

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|---|---|
| Discount rate | 7.70% | 7.75% |
| Rate of salary increase | 8.00% | 8.00% |
| Withdrawal rate | 1.00% | 1.00% |
| Mortality rate | Indian Assured Lives (2006-08) | Indian Assured Lives (2006-08) |
| Retirement age | 62 Years | 62 Years |

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

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

| Particulars | Change in Assumption | For the Year Ended March 31,2019 | | For the Year Ended March 31,2018 | |
|---|---|---|---|---|---|
| | | Gratuity | Compensated Absence | Gratuity | Compensated Absence |
| Discount Rate | +1% | 431.04 | 82.40 | 350.63 | 60.34 |
| | -1% | 487.26 | 94.77 | 419.65 | 72.43 |
| | | | | | |
| Salary Growth Rate | +1% | 486.88 | 94.69 | 419.20 | 72.35 |
| | -1% | 430.88 | 82.37 | 350.42 | 60.30 |

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

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

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|---|---|
| Within one year | 56.49 | 15.79 |
| Within one - three years | 131.46 | 94.43 |
| Within three - five years | 63.63 | 74.68 |
| Above five years | 205.62 | 197.71 |
| Weighted average duration (in years) | 7.54 years | 2.78 years |

**24. Manufacturing and Other Expenses**

| Particulars | For the Year Ended | |
|---|---|---|
| | March 31, 2019 | March 31, 2018 |
| Consumption of stores and spare parts | 2666.60 | 1,184.69 |
| Power Charges | 50.57 | 32.16 |
| Fuel & gases Charges | 11.82 | 6.68 |
| Freight and forwarding charges (net) | 360.28 | 216.02 |
| Other expenses of production | 239.33 | 267.51 |
| Engineering and processing charges | 819.71 | 219.31 |
| Rent | 105.05 | 92.93 |
| Rates and Taxes | 10.12 | 59.79 |
| Insurance | 7.10 | 8.75 |
| Repairs and Maintenance: | | |
| Plant and machinery | 8.10 | 1.28 |
| Buildings | 0.07 | -- |
| Others | 56.29 | 49.78 |
| Other selling expenses | 26.51 | 2.52 |
| Commission and brokerage | 7.60 | 101.69 |
| Legal & Professional Charges | 156.28 | 298.33 |
| Directors' sitting fees | 1.30 | 0.56 |
| Payment to auditor (Refer details below) | 2.00 | 3.80 |
| Loss on sale of Fixed Assets (net) | (0.19) | 4.52 |
| Travelling & Conveyance Expenses | 166.21 | 141.10 |
| Miscellaneous expenses | 428.16 | 279.77 |
| **Total** | **5,122.91** | **2,971.19** |

**Payments to Auditor**

| Particulars | For the Year Ended | |
|---|---|---|
| | March 31, 2019 | March 31, 2018 |
| **As Auditor:** | | |
| Audit Fees | 1.50 | * 3.25 |
| Tax Audit Fees | 0.50 | 0.50 |
| | | |
| **In other capacity:** | | |
| Certification Charges | -- | 0.05 |
| **Total** | **2.00** | **3.80** |

- **Includes fees for IND AS implementation Rs. 1.75 lacs.**

**25. Finance Costs**

| Particulars | For the Year Ended | |
|---|---|---|
| | March 31, 2019 | March 31, 2018 |
| **Interest on Vehicle loan** | 11.25 | 6.88 |
| **Other Borrowing Costs** | | |
| Bill Discounting Charges (net) | -- | -- |
| Bank & Finance processing charges | 21,93 | 21.69 |
| **Total** | **33.18** | **28.57** |

**26. Depreciation and Amortization Expense**

| Particulars | For the Year Ended | |
|---|---|---|
| | March 31, 2019 | March 31, 2018 |
| Depreciation on Tangible Assets | 105.37 | 101.00 |
| **Total** | **105.37** | **101.00** |

**27. Earnings Per Share ('EPS')**

The followings is a reconciliation of the equity shares considered for computation of basic and diluted earnings per equity share:

| Particulars | For the Year Ended | |
|---|---|---|
| | March 31, 2019 | March 31, 2018 |
| Weighted average shares outstanding for basic / diluted EPS | 898698382 | 898698382 |
| Profit for the year | 269.08 | 200.08 |

**28. Segment Reporting as per IND-AS – 108.**

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

**29. 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 |

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director, whether executive or otherwise. Remuneration to key management personnel were as follows:

| Particulars | For the Year Ended | |
|---|---|---|
| | March 31, 2019 | March 31, 2018 |
| Short-Term employee benefits | 101.00 | 90.00 |
| Post-employment benefit | 13.80 | 11.64 |
| **Total** | **114.80** | **101.64** |

**30. Financial and Capital Risk**

**1. Financial Risk**

The business activities of the Company expose it to a variety of financial risks, namely market risks (that is, foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's risk management strategies focus on the un-predictability of these elements and seek to minimize the potential adverse effects on its financial performance.

The financial risk management for the Company is driven by the Company's senior management and internal/ external experts subject to necessary supervision.

The Company does not undertake any speculative transactions either through derivatives or otherwise. The senior management is accountable to the Board of Directors and Audit Committee. They ensure that the Company's financial risk-taking activities are governed by appropriate financial risk governance frame work, policies and procedures. The Board Of Directors periodically reviews the exposures to financial risks, and the measures taken for risk mitigation and the results thereof.

**i) Foreign Currency Risk**

Foreign exchange risk arises on all recognised monetary assets and liabilities and on highly probable forecasted transactions which are denominated in a currency other than the functional currency of the Company. The Company has foreign currency trade payables and receivables.

The foreign exchange risk management policy of the Company requires it to manage the foreign exchange risk by transacting as far as possible in the functional currency.

The yearend foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below

| Particulars | Foreign Currency | | |
|---|---|---|---|
| | USD | Euro | GBP |
| **Current Year** | | | |
| Trade payables – in Foreign Currency (full figures) | (15,690.40) | (219,490.67) | (96,786.92) |
| Trade payables – INR in Lakhs | (10.85) | (170.55) | (87.57) |
| | | | |
| **Previous Year** | | | |
| Trade payables – in Foreign currency (full figures) | (15,690.40) | (161,839.44) | -- |
| Trade payables – INR in Lakhs | (10.21) | (130.48) | -- |
| Trade receivables - in Foreign currency (full figures) | -- | -- | -- |
| Trade receivables – INR in Lakhs | -- | -- | -- |

No Forward Contracts were entered into by the company either during the year or previous years since the company has very minimum exposure to foreign currency risk as stated in above table.

**i) Foreign Currency Sensitivity**

| Particulars | Change in Currency Exchange rate | Effect on Profit | Effect on Equity (OCI) |
|---|---|---|---|
| **For the Year Ended March 31, 2019** | | | |
| Euro | +5% | 8.53 | -- |
| | -5% | (8.53) | -- |
| Others | +5% | 4.92 | -- |
| | -5% | (4.92) | -- |
| **For the Year Ended March 31, 2018** | | | - |
| Euro | +5% | 6.52 | -- |
| | -5% | (6.52) | -- |
| Others | +5% | 0.51 | -- |
| | -5% | (0.51) | -- |

The sensitivity disclosed in the above table is mainly attributable to, in case of to foreign exchange gains / (losses) on trade payables and trade receivables. The above sensitivity analysis is based on a reasonably possible change in the under-lying foreign currency against the respective functional currency while assuming all other variables to be constant.

Based on the movements in the foreign exchange rates historically and the prevailing market conditions as at the reporting date, the Company's management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

**ii) Price Risk**

The company uses surplus fund in operations and for further growth of the company. Hence, there is no price risk associated with such activity.

**iii) Credit Risk**

Credit risk refers to the risk of default on its obligation by the counter-party, the risk of deterioration of creditworthiness of the counter-party as well as concentration risks of financial assets and thereby exposing the Company to potential financial losses. The Company is exposed to credit risk mainly with respect to trade receivables.

**Trade Receivables**

The Trade receivables of the Company are typically non interest bearing un-secured. As there is no independent credit rating of the customers available with the Company, the management reviews the credit-worthiness of its customers based on their financial position, past experience and other factors. The credit risk related to the trade receivables is managed / mitigated by concerned team based on the Company's established policy and procedures and by setting appropriate payment terms and credit period. The credit period provided by the Company to its customers depend upon the contractual terms with the customers.

**The ageing analysis of trade receivables as at the reporting date is as follows:**

| Particulars | Less than six months | More than six months |
|---|---|---|
| **Trade Receivables as at March 31, 2019** | **8,260.73** | **1,069.41** |
| Trade Receivables as at March 31, 2018 | 837.36 | 15,961.21 |

The Company performs on-going credit evaluations of its customers financial condition and monitors the credit-worthiness of its customers to which it grants credit in its ordinary course of business. The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount due or there are some disputes which in the opinion of the management is not in the Company's favour. Where the financial asset has been written-off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit and loss.

**iv) Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Accordingly, as a prudent liquidity risk management measure, the Company closely monitors its liquidity position and deploys a robust cash management system.

Based on past performance and current expectations, the Company believes that the Cash and cash equivalents and cash generated from operations will satisfy its working capital needs, capital expenditure, investment requirements, commitments and other liquidity requirements associated with its existing operations, through at least the next twelve months.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:-

| Particulars | As at March 31, 2019 | |
|---|---|---|
| | Less than one year | More than one year |
| Trade payables | 3,543.91 | -- |
| Other financial liabilities | 179.35 | -- |
| **Total Financial liabilities** | **3,723.26** | **--** |

| Particulars | As at March 31, 2018 | |
|---|---|---|
| | Less than one year | More than one year |
| Trade payables | 1,269.93 | -- |
| Other financial liabilities | 146.53 | -- |
| **Total Financial liabilities** | **1,416.45** | **--** |

**2. Capital Risk**

The Company's objective while managing capital is to safeguard its ability to continue as a going concern (so that it is enabled to provide returns and create value for its shareholders, and benefits for other stakeholders), support business stability and growth, ensure adherence to the covenants and restrictions imposed by lenders and/ or relevant laws and regulations, and maintain an optimal and efficient capital structure so as to reduce the cost of capital. However, the key objective of the Company's capital management is to, ensure that it maintains a stable capital structure with the focus on total equity, uphold investor; creditor and customer confidence and ensure future development of its business activities. In order to maintain or adjust the capital structure, the Company may issue new shares, declare dividends, return capital to shareholders, etc. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements.

**31. Fair Value Of Financial Assets And Liabilities**

The carrying value and fair value of the Company's financial instruments are as follows:

| Particulars | Carrying Value as of | | Fair Value as of | |
|---|---|---|---|---|
| | March 31, 2019 | March 31, 2018 | March 31, 2019 | March 31, 2018 |
| **Financial Assets** | | | | |
| **FVTPL** | - | - | - | - |
| **Amortized cost** | | | | |
| Trade receivables | 9,330.14 | 16,798.57 | 9,330.14 | 16,798.57 |
| Cash and cash equivalents | 2,237.05 | 2,040.57 | 2,237.05 | 2,040.57 |
| Loans | 1,907.70 | 2,767.00 | 1,907.70 | 2,767.00 |
| Other financial assets | 103.58 | 15.43 | 103.58 | 15.43 |
| **Total** | **13,578.47** | **21,621.57** | **13,578.48** | **21,621.57** |
| **Financial Liabilities** | | | | |
| **FVTPL** | **-** | **-** | **-** | **-** |
| **Amortized cost** | | | | |
| Trade payables | 3,543.91 | 1,269.93 | 3,543.91 | 1,269.93 |
| Other financial liabilities | 179.35 | 146.53 | 179.35 | 146.53 |
| **Total** | **3,723.26** | **1,416.45** | **3,723.26** | **1,416.45** |

**LLOYDS STEELS INDUSTRIES LIMITED**

**Regd. Office :** Plot No.A-5/5, MIDC Industrial Area, Murbad, Dist. Thane – 421 401

**Corporate Office :** Trade World, "C" Wing, 16th Floor, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai-400 013.

**Tel:** 91-22-6291 8111 **Fax:** 91-22-6291 8260 **E-Mail**: infoengg@lloyds.in, **Website**: www.lloydsengg.in

**CIN :** L28900MH1994PLC081235

Dear Shareholder,

**Sub**: **Registration of E-mail ID for servicing of documents by the Company under the Companies Act, 2013 – A Green Initiative by Ministry of Corporate Affairs, Government of India**

Ministry of Corporate Affairs ("MCA") vide its Circular No.17/2011 and 18/2011 dated 21st April 2011 and 29th April 2011 respectively has notified a "Green Initiative in the Corporate Governance", by allowing paperless compliances by Companies. In terms of the said circulars, the Companies are permitted to send Annual Reports and various notices/documents to the shareholders through electronic mode to the registered e-mail addresses of shareholders.

The "Green Initiative" proved a welcome step for benefits of society at large for creating sustainable greener environment and your Company continues to fully support the above initiative.

As a step forward to implement the above initiative, we propose to send documents such as notices of general meeting(s), annual reports and other shareholder communications to you by electronic mode. Hence, we appeal all the shareholders, who have yet to register their e-mail ID, to register/update the same at the earliest in any of the following manner:

- By registering with your Depository Participant ("DP") in case the Company's shares are held in demat form.

  By sending an e-mail to Bigshare Services Private Limited, Registrar and Share Transfer Agent ("RTA") at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai -400 059

- By returning the duly filled in form to the RTA, in case the Company's shares are held in physical form.

Please note that these documents shall be available on Company's website www.lloydsengg.in and shall also be kept open for inspection by the Members at the Registered Office of the Company during office hours.

The Shareholders will also be entitled to receive Annual Reports / other communications, free of cost, upon receipt of a requisition from you, any time, as a Member of the Company.

We are sure that as a responsible citizen, you will whole heartedly support and co-operate with the Company in implementing this initiative of the MCA.

Best Regards,
**For Lloyds Steels Industries Limited**

**Sd/-**
**P.R. Ravi Ganesan,**
**Chief Financial Officer & Company Secretary**

## E-COMMUNICATION REGISTRATION FORM

To, Date:

**Bigshare Services Private Limited**
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East), Mumbai -400 059.
Phone : 022-6263 8200 /223/236, Fax : 022-6263 8299
E-Mail : investor@bigshareonline.com
http://www.bigshareonline.com/contact.aspx

**UNIT – Lloyds Steels Industries Limited**

Dear Sir,

**Sub: Registration of E-mail ID for serving of Notices / Annual Reports through electronic mode by Company**

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

| | |
|---|---|
| Folio No. / DP ID / Client ID : | |
| E-mail ID : | |
| Name of the First / Sole Shareholder : | |
| Signature : | |

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

# LLOYDS STEELS INDUSTRIES LIMITED

**Regd. Office :** Plot No.A-5/5, MIDC Industrial Area, Murbad, Dist. Thane – 421 401
**Corporate Office :** Trade World, "C" Wing, 16th Floor, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai-400 013.
**Tel:** 91-22-6291 8111 **Fax:** 91-22-6291 8260 **E-Mail**: infoengg@lloyds.in, **Website**: www.lloydsengg.in
**CIN :** L28900MH1994PLC081235

## Form No. MGT-11

## Proxy Form

**[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]**
**CIN: L28900MH1994PLC081235**

Name of the Company : Lloyds Steels Industries Limited
Registered Office : Plot No. A-5/5, MIDC Industrial Area, Murbad, Dist. Thane – 421 401 – Maharashtra

Name of the member(s):

Registered Address:

E-mail Id:

Folio No./Client Id:

DP ID:

I/We, being the member(s) of ……. shares of the above named Company, hereby appoint,

1. Name:

   Address:

   E-mail Id:

   Signature: …….., or failing him / her

2. Name:

   Address:

   E-mail Id:

   Signature: ……., or failing him / her

3. Name:

   Address:

   E-mail Id:

   Signature: ……

# LLOYDS STEELS INDUSTRIES LIMITED

As my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of the Company, to be held on **Monday the 19th August, 2019 at 11.30 P.M. at Plot No. A-5/5, MIDC Industrial Area, Murbad, Dist. Thane – 421 401** and at any adjournment thereof in respect of such resolutions as are indicated below:

I wish my above Proxy to vote in the manner as indicated in the box below:

| Sr. No | RESOLUTIONS | For | Against |
|---|---|---|---|
| 1. | Receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31st March, 2019, the reports of the Board of Directors and Auditors Report thereon. | | |
| 2. | Consider and Reappointment of M/s. Todarwal & Todarwal, LLP, Chartered Accountants (Firm Registration No.111009W/W100231) as Statutory Auditors for a period of 3 years from 2019-20 to 2021-22, including their remuneration. | | |
| 3. | Ratification and Reappointment of M/s. Manisha & Associates, Cost Auditors for the financial year 2019-20 and their remuneration thereof. | | |
| 4. | Appointment of Mr. Rajashekhar M. Alegavi as a Non-Executive Director of the Company | | |
| 5. | Revision in the Remuneration and Terms of Appointment of Mr. Ashok Tandon as Managing Director of the Company and further retire by rotation under section 152 of the Companies Act, 2013. | | |

Signed this…….. day of …….. 2019

Affix
Revenue
Stamp

Signature of Shareholder(s)

Signature of Proxy holder(s)

**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less-than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding 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.
4. This is only optional. Please put a √ in the appropriate column against the resolutions indicated in the Box. If you leave the "For" or "Against" column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

# LLOYDS STEELS INDUSTRIES LIMITED

**Regd. Office :** Plot No.A-5/5, MIDC Industrial Area, Murbad, Dist. Thane – 421 401
**Corporate Office :** Trade World, "C" Wing, 16th Floor, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai-400 013.
**Tel:** 91-22-6291 8111 **Fax:** 91-22-6291 8260 **E-Mail**: infoengg@lloyds.in, **Website**: www.lloydsengg.in
**CIN :** L28900MH1994PLC081235

## 25th Annual General Meeting

## ATTENDANCE SLIP

**(To be handed at the entrance of the Meeting Hall)**

| | |
|---|---|
| DP ID * | |
| Client ID * | |

| | |
|---|---|
| Folio No. | |
| No. of Shares | |

**(To be handed over at the entrance of the Meeting Hall)**

I, certify that I am a Registered Member/Proxy for the Registered Member of the Company, I hereby record my presence at the 25th Annual General Meeting of the Company held at Plot No. A-5/5, MIDC Industrial Area, Dist. Thane – 421 401, Maharashtra on Monday, 19th August, 2019 at 11.30 AM

Full Name of Member (in BLOCK LETTERS) _____

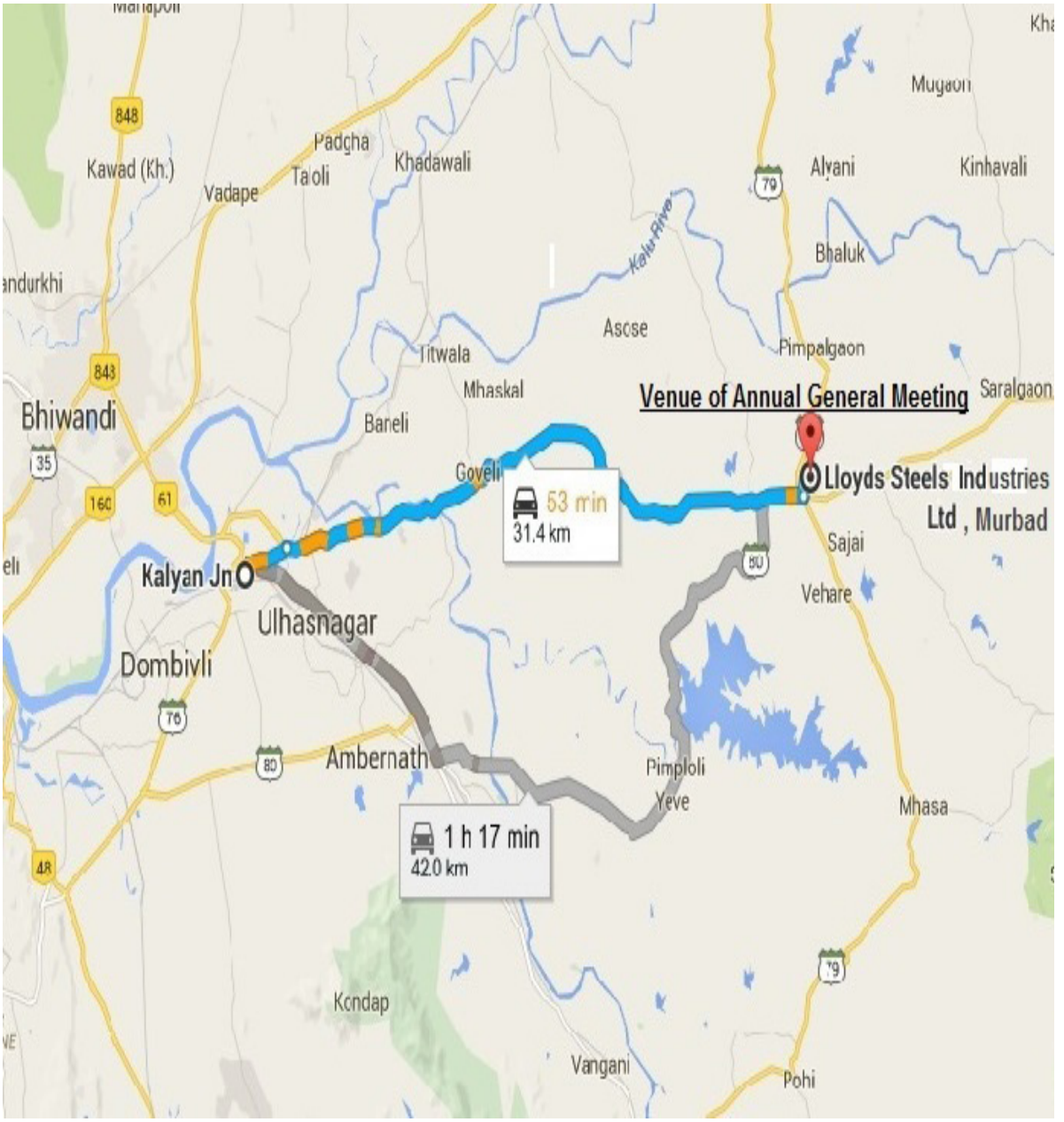
Name of the Proxy (in BLOCK LETTERS) _____

(To be filled in if the Proxy attends instead of Member/s)

Member's/Proxy's Signature _____

**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



**BY COURIER / BOOK POST**

**If undelivered please return to :**
**BIGSHARE SERVICES PRIVATE LIMITED**
**(Unit : Lloyds Steels Industries Limited)**
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,
Makwana Road, Marol, Andheri (E), Mumbai - 400 059.
Phone : 022-6263 8200 /222/223/236
Fax : 022-6263 8299
E-Mail : investor@bigshareonline.com
http://www.bigshareonline.com/contact.aspx

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