



Lloyds Steels Industries Limited



**27th Annual Report
2020 - 21**

LLOYDS STEELS INDUSTRIES LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Mukesh R. Gupta (DIN: 00028347)	<i>Chairman & Whole Time Director (w.e.f. 31.05.2021)</i>
Mr. Ashok Tandon (DIN: 00028301)	<i>Managing Director (up to 31.03.2021) Additional Non-Executive Director (w.e.f. 01.04.2021)</i>
Mr. Satyendra Narain Singh (DIN: 00398484)	<i>Independent Director</i>
Smt. Bela Sundar Rajan (DIN: 00548367)	<i>Independent & Women Director</i>
Mr. Ananthsubramanian Lakshman (DIN: 08648489)	<i>Independent Director</i>
Mr. Rajashekhar Mallikarjun Alegavi (DIN: 03584302)	<i>Non-Executive Director</i>
Mr. Kishore Kumar Mohanlal Pradhan (DIN: 02749508)	<i>Additional Non-Executive Director (w.e.f. 11.09.2020)</i>

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Mr. P.R. Ravi Ganesan, CFO & Company Secretary (up to 31.12.2020)
Mr. Kalpesh Prakash Agrawal, CFO (w.e.f. 27.01.2021)
Ms. Meenakshi Ankit Pansari, Company Secretary (w.e.f. 27.01.2021)

AUDITORS

Statutory Auditors:

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

Cost Auditors:

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

Secretarial Auditors:

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

Internal Auditors:

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

CORPORATE IDENTIFICATION NUMBER

CIN: L28900MH1994PLC081235

BANKERS

HDFC Bank Limited
State Bank of India
Union Bank of India
Bank of Maharashtra

REGISTERED OFFICE

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

WORKS

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

CORPORATE OFFICE

A-2, Madhu Estate, 2nd Floor,
Pandurang Budhkar Marg, Lower Parel (W),
Mumbai 400 013
Tel.: +91 6291 8111
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 (East), Mumbai 400 059
Tel.: +91 22 6263 8222/223/236
Fax: +91 22 6263 8299
E-Mail: investor@bigshareonline.com

CONTENTS	PAGE NO.
Notice	3
Directors' Report	21
Corporate Governance Report	29
Auditors' Report	47
Balance Sheet	52
Profit & Loss Account	53
Cash Flow Statement	55
Note to Financial Statements	57

27th Annual General Meeting

Date: Thursday, 15th July, 2021

Time: 11.30 A.M.

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

NOTICE

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of the Members of the **Lloyds Steels Industries Limited** will be held on **Thursday, 15th July, 2021 at 11:30 A.M.** through Video Conferencing (VC)/Other Audio Visual Means (OAVM), to transact the following business:

ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the year ended 31st March, 2021, including Audited Financial Statements consisting Profit & Loss Account for the year ended 31st March, 2021 and Balance Sheet as on 31st March, 2021 along with the reports of the Board of Directors and Auditors thereon.
- To appoint a Director in place of Mr. Rajasekhar M. Alegavi (DIN:03584302), who retires by rotation and being eligible, offers himself for re- appointment.

SPECIAL BUSINESS:

3. Ratification of Remuneration of Cost Auditor

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

“**RESOLVED THAT** pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force] and pursuant to the recommendation of the Audit Committee, the remuneration payable to M/s. Manisha & Associates, Cost Accountants, Nagpur (Firm Registration No. 000321), appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2022, amounting to ₹ 35,000 (Rupees Thirty-Five Thousand only) (plus Goods and Services Tax and reimbursement of out of pocket expenses) be ratified.

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

4. Appointment of Mr. Kishore Kumar Mohanlal Pradhan as a Non-Executive Director of the Company.

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

RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and other applicable rules and provisions (including any modification and re-enactment thereof), if any, of the Companies Act, 2013, Mr. Kishore Kumar Mohanlal Pradhan (DIN: 02749508), who was appointed

as an Additional Director with effect from September 11, 2020, 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. Appointment of Mr. Ashok Tandon as a Non-Executive Director of the Company.

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

RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and other applicable rules and provisions (including any modification and re-enactment thereof), if any, of the Companies Act, 2013, Mr. Ashok Tandon (DIN: 00028301), who was appointed as an Additional Director with effect from April 1, 2021 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.”

6. Appointment of Mr. Mukesh R. Gupta as a Chairman and Whole Time Director of the Company.

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

“**RESOLVED THAT** pursuant to the provisions of sections 196, 197 and 203 read with Schedule V as amended from time to time and all other applicable provisions of the Companies Act 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (Including any statutory modification or re-enactment(s) thereof for the time being in force) and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Article of Association of the Company, the approval of the members/shareholders of the Company be and is hereby accorded for the appointment and remuneration of Shri. Mukesh R. Gupta (DIN: 00028347) as a Whole Time Director (Designated as Chairman and Whole Time Director) of the Company, for a period of three years from 31.05.2021 to 30.05.2024 as recommended/ approved by the Nomination & Remuneration Committee

LLOYDS STEELS INDUSTRIES LIMITED

and Board of Directors in its meetings held on 31st May, 2021, on the terms and conditions including remuneration as set out in explanatory statement annexed to the notice convening this meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or remuneration as it may deem fit subject to the same not exceeding the limit specified under Schedule V to the Companies Act, 2013 or any statutory modifications or re-enactment thereof.

RESOLVED FURTHER THAT the remuneration payable to Mr. Mukesh R. Gupta shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

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.”

7. Re-appointment of Mr. S.N. Singh as an Independent Non-Executive Director of the Company.

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

“**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 31st May, 2021 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”) (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for reappointment of Mr. S.N. Singh (DIN: 00398484) whose current term of office is expiring on 31st August, 2021 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as an Independent Non-Executive Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for a further term of 5 years on the Board of the Company w.e.f. 1st September, 2021 to 31st August, 2026.”

“**RESOLVED FURTHER THAT** the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised ‘Committee’ thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to the above resolution.”

8. Re-appointment of Smt. Bela Sundar Rajan as an Independent Non-Executive Woman Director of the Company.

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

“**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 31st May, 2021 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”) (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for reappointment of Smt. Bela Sundar Rajan (DIN: 00548367) whose current term of office is expiring on 31st August, 2021 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as an Independent Non-Executive Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for a further term of 5 years on the Board of the Company w.e.f. 1st September, 2021 to 31st August, 2026.”

“**RESOLVED FURTHER THAT** the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised ‘Committee’ thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to the above resolution.”

9. Approval for Giving Loan or Guarantee or Providing Security Under Section 185 of the Companies Act, 2013

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

“**RESOLVED THAT** pursuant to the provisions of Section 185 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the Companies (Meeting of Board and its Powers) Rules, 2014 (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), consent of the Members of the Company, be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include, unless the context otherwise required, any Committee of the Board or any Director(s) or Officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution) for giving loan(s) in one or more tranches including loan represented by way of book debt (the “Loan”) to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/to be taken by any entity which is a Subsidiary or Associate or Joint Venture or group entity of the Company or Body Corporate or any other person in which any of the Director(s) of the Company is deemed to be interested (collectively referred to as the “Entities”), up to a sum not exceeding ₹ 50 Crores [Rupees Fifty Crores Only] at any point of time on such terms and conditions as may be agreed upon by the company in its absolute discretion deem beneficial and in the best interest of the Company, provided that such loans are utilized by the borrowing company for its principal business activities.”

“**RESOLVED FURTHER THAT** the powers be delegated to the Board of the Company and the Board is hereby authorized to negotiate, finalize, the terms and conditions of the aforesaid loan/guarantee/security and to do all such acts, deeds and things as may be necessary and incidental including signing and/or execution of any deeds/documents/undertakings/agreements/papers/writings for giving effect to this Resolution.”

10. Approval for Related Party Transaction(s) with Lloyds Metals and Energy Limited.

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

“**RESOLVED that** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’) and

the Company’s policy on Related Party Transactions, approval of the Members be and is hereby accorded to the Board of Directors of the Company to continue and/or enter into Contract(s)/ arrangement(s)/ transaction(s) with Lloyds Metals and Energy Limited, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of ₹ 180 Crores at arm’s length basis and in the ordinary course of business of the Company till the execution and/or termination of these Contract(s)/ arrangement(s)/ transaction(s).

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

11. Ratification/Approval of Related Party Transaction Under Section 188 of the Companies Act, 2013.

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

“**RESOLVED THAT** pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013, read with Companies (Meetings of Board and its powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (Act), the consent of the members be and is hereby accorded for the continuance of Mr. Shree Krishna Gupta, a related party (Son of Mr. Mukesh R. Gupta, Chairman and Whole Time Director of the Company w.e.f. 31.05.2021), holding office or place of profit, as Executive Vice President of the Company at a monthly remuneration not exceeding ₹ 16 Lakhs and reimbursement of expenses if any incurred for the Company.

RESOLVED FURTHER THAT the consent of the members be and is hereby accorded to the Board of Directors, to finalize and to perform and execute all such acts, deeds, matters and things (including delegating such authority), as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto.”

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

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

**Date: 31st May, 2021
Place: Mumbai**

LLOYDS STEELS INDUSTRIES LIMITED

NOTES:

1. The Annual General Meeting (AGM) will be held on Thursday, 15th July, 2021 at 11.30 A.M. through Video Conferencing (VC)/Other Audio Visual Means (OAVM) in compliance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020 and 20/2020 dated 5th May, 2020 and 02/2021 dated 13th January, 2021.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated January 13, 2021 read with circulars dated May 5, 2020 and April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting. Body Corporates whose Authorized Representatives are intending to attend the Meeting through VC/OAVM are requested to send to the Company in email Id mapansari@lloyds.in, a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting and through E-voting.
5. Those Shareholders whose email IDs are not registered can get their Email ID registered as follows:
 - Members holding shares in demat form can get their E-mail ID registered by contacting their respective Depository Participant.
 - Members holding shares in the physical form can get their E-mail ID registered by contacting our Registrar and Share Transfer Agent "Bigshare Services Private Limited" on their email ID investor@bigshareonline.com or by sending the duly filled in E-communication registration form enclosed with this Notice to our RTA on their email id investor@bigshareonline.com.
6. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Instructions and other information for members for attending the AGM through VC/OAVM are given in this Notice under **Note No. 22**.
8. As the Annual General Meeting of the Company is held through Video Conferencing/OAVM, we therefore request the members to submit questions if any at least 10 days' in advance relating to the business specified in this Notice of AGM on the Email ID mapansari@lloyds.in.
9. 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.
10. 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.
11. Members who wish to inspect the Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Companies Act, 2013 and Relevant documents referred to in this Notice of AGM and explanatory statement on the date of AGM in electronic mode can send an email to mapansari@lloyds.in.
12. 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. 21**.
13. 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 **Friday, 9th July, 2021 to Thursday, 15th July, 2021 (both days inclusive)**;
14. 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.
15. The Annual Report along with the Notice of AGM will be placed on the Company's website on www.lloydsengg.in

16. Members desiring any information as regards to Accounts or any other matter to be placed at the AGM, are requested to write 10 days in advance to the Company through email on mapansari@lloyds.in. The same will be replied by the Company suitably.
17. 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.
18. 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.
19. Shareholders of the Company holding shares either in physical form or in Dematerialized forms as on Benpos date i.e. **11th June, 2021** will receive Annual Report for the financial year 2020-21 through electronic mode only.
20. As per the MCA General Circular 20/2020 dated 05th May, 2020 and 02/2021 dated 13th January, 2021, the Annual Report will be sent through electronic mode to only those Members whose email IDs are registered with the Registrar and Share Transfer Agent of the Company/ Depository participant.
21. **Information and other instructions relating to e-voting are as under:**
 - a. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its member's facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system. (**remote e-voting**).
 - b. The Company has engaged the services of Central Depository Services Limited ("CDSL") as the Agency to provide e-voting facility.
 - c. The Board of Directors of the Company has appointed M/s. K.C. Nevatia & Associates, Practicing Company Secretary (C.P.No.2348), as the Scrutinizer, to scrutinize the e-voting during the AGM and remote e-voting process prior to AGM in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
 - d. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member/beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. **8th July, 2021**.
 - e. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. **8th July, 2021** only shall be entitled to avail the facility of remote e-voting OR e-voting at the AGM.
 - f. The Scrutinizer, after scrutinizing e-voting at the AGM and remote e-voting, will, not later than three days of conclusion of the Meeting,
 - g. 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.
 - h. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. **15th July, 2021**.
 - i. 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 **11th July, 2021 at 9.00 a.m. and ends on 14th July, 2021 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 **8th July, 2021** 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.
- iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

LLOYDS STEELS INDUSTRIES LIMITED

iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. 3) If the user is not registered for Easi/ Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/ EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.

Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDEAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDEAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDEAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDEAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
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ANNUAL REPORT 2020-21

Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- V) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders.
- i. The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
 - ii. Click on "Shareholders" tab.
 - iii. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID;
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID;

- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.
DOB	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. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the Member ID / folio number in the Dividend Bank details field as mentioned in instruction (v).

- vi. After entering these details appropriately, click on "SUBMIT" tab.
- vii. Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly

LLOYDS STEELS INDUSTRIES LIMITED

note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- viii. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - ix. Click on the EVSN for “**LLOYDS STEELS INDUSTRIES LIMITED**” on which you choose to vote.
 - x. On the voting page, you will see “**RESOLUTION DESCRIPTION**” and against the same the option “**YES/ NO**” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - xi. Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.
 - xii. After selecting the resolution, you have decided to vote on, click on “**SUBMIT**”. A confirmation box will be displayed. If you wish to confirm your vote, click on “**OK**”, else to change your vote, click on “**CANCEL**” and accordingly modify your vote.
 - xiii. Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
 - xiv. You can also take out print of the voting done by you by clicking on “**Click here to print**” option on the Voting page.
 - xv. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- vi) Facility for Non – Individual Shareholders and Custodians –Remote Voting**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address infoengg@lloyds.in and mapansari@lloyds.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

vii) PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
 2. For Demat shareholders - please provide Demat Account details (CDSL-16-digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to **Company/RTA email id**.
- viii) If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

- xi) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43

22. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- a) The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote e-voting.
- b) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.

- c) Members whose email IDs are already registered with the Depository Participant/ Registrar and Share Transfer Agent of the Company and who are desirous to attend the AGM through VC/OAVM can apply at infoengg@lloyds.in, mapansari@lloyds.in requesting for participation in the AGM, by giving their name as registered in the records of the Company, DPID/Client ID or Folio Number and the Registered email ID.
 - d) Members who are desirous of attending the AGM through VC/OAVM and whose email IDs are not registered with the RTA of the Company/DP, may get their email IDs registered as per the instructions provided in Point No. 5 of this Notice.
 - e) Members who are desirous of attending the AGM may send their request by 10th July, 2021. On successful registration with the company, the invitation to join the AGM will be sent to the Members on their registered email IDs latest by 13th July, 2021. This will be done on first come first served basis, limited to 1000 members only. Due to security reason the invitation link to participate in the AGM will be shared on the registered email id of the member only after successful registration with the Company.
 - f) Members may attend the AGM, by following the invitation link sent to their registered email ID. Members will be able to locate Meeting ID/ Password and JOIN MEETING tab. By Clicking on JOIN MEETING they will be redirected to Meeting Room via browser or by running Temporary Application. In order to join the Meeting, follow the step and provide the required details (mentioned above – Meeting ID/Password/Email Address) and Join the Meeting. Members are encouraged to join the Meeting through Laptops for better experience.
 - g) In case of Android/I phone connection, Participants will be required to download and Install the appropriate application as given in the mail to them. Application may be downloaded from Google Play Store/ App Store.
 - h) Further Members will be required to allow Camera and use Internet audio settings as and when asked while setting up the meeting on Mobile App.
 - i) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
 - j) The helpline number for joining the Meeting through Electronic Mode will be provided in the Meeting Invitation which will be sent to the eligible applicants.
 - k) Institutional Shareholders are encouraged to participate at the AGM through VC/OAVM and vote thereat.
23. Any person, who acquires shares of the Company and become member of the Company after sending the Notice of AGM through electronic mode and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com.
24. In line with the Ministry of Corporate Affairs General Circular No. 17/2020 dated 13th April, 2020, the Notice calling AGM has been uploaded on the website of the Company at www.lloyds.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange Limited at www.bseindia.com and www.connect2nse.com .in respectively and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com.
25. Investor Grievance Redressal:- The Company has designated an e-mail id infoengg@lloyds.in, mapansari@lloyds.in to enable investors to register their complaints, if any.
26. 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:

LLOYDS STEELS INDUSTRIES LIMITED

Name of Director	Mr. K.M. Pradhan	Mr. Ashok Tandon	Mr. R.M. Alegavi
DIN	02749508	00028301	03584302
Date of Birth	13.08.1958	13.10.1958	24.04.1950
Age	62 Years	62 Years	71 Years
Date of first appointment on the Board	11.09.2020	15.01.2014	26.10.2018
Qualifications	M.com	B.E. (Mech.)	B.E. (CHEM.)
A Brief Resume of the Director & Nature of his Expertise in Specific Functional Areas;	Shri. K.M. Pradhan during his 37 years of service worked in Project Finance, Central administration, Research, Central Accounts, Resource Management, Human Resources, Recovery (NPA Management), Audit, Business Development & Central Strategic and Planning Departments and acquired rich experience.	Graduate in Engineering (Mechanical) from SGS Institute of Technology & Science, Indore. Having Vast Business Experience of over 40 years in the core industry of Engineering/Steel Sector, Oil/Refinery Sector and Capital Equipment/EPC Sectors. Also was Profit Sector Head of Strategic Business Unit for 26 years out of the 40 years	B.E. Chemical Engineering, having 47 years rich experience in Design, Manufacturing, Erection and Commissioning of Chemical Equipment both in Hydro Carbon and Non-Hydro Carbon Industries and clean environment like Air/Gas/Liquid Dryers, Heat Exchangers, Boilers, Power Plant and LPG Loading Stations.
Directorship Held in Other Listed Companies	NO	NO	NO
Memberships/Chairmanships of committees of other Listed Companies \$	NO	NO	NO
Number of shares held in the Company	Nil	Nil	Nil
Terms and conditions of appointment	Non-Executive Director, Liable to retire by rotation.	Non-Executive Director, Liable to retire by rotation.	Non-Executive Director, Liable to retire by rotation.

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

Name of Director	Mr. S.N. Singh	Mrs. Bela Sundar Rajan	Mr. Mukesh R. Gupta
DIN	00398484	00548367	00028347
Date of Birth	25.05.1948	04.06.1954	13.06.1958
Age	73 Years	67 Years	63 Years
Date of first appointment on the Board	06.05.2016	28.01.2016	31.05.2021
Qualifications	B. Tech, Metallurgy Engineer (1 st Class)	B.A., LLB, PGD in Journalism	B.com
A Brief Resume of the Director & Nature of his Expertise in Specific Functional Areas;	Mr. S.N. Singh is B. Tech, Metallurgy Engineer (1 st Class) from B.I.T. Sindri, Ranchi University, having served in different Iron & Steel Plants in Senior Positions and as Advisor both in Public and Private Sectors in India and Abroad, including TATA Group, Uttam Group, Kalyani Group, Essar Group, Monnet Group, Sunflag Group, JSPL, JSW & SAIL for over 40 years.	A graduate in Law and Journalism with more than two decades of experience in Public Relations, Media and Communications Active in various industry bodies, part of the Editorial Board of Advertising Club of Mumbai and the Chairperson of FLO (The Ladies Organization of Federation of Indian	Mr. Mukesh R. Gupta is a successful industrialist having vast knowledge and rich experience of over 40 years in various industries such as Steel, Engineering, Power, Finance, Consumer related, Construction, Trading and other sectors.

	Presently Mr. S.N. Singh is the Advisor to CISDL, China and other companies in India on need basis.	Chambers of Commerce of India – FICCI,2010-11, Mumbai Chapter) where her focus was to promote young upcoming women entrepreneurs and educate the girl child. During her term FLO launched the Sanitation for Girls in Secondary Schools (SGS) initiative.	
Directorships held in other Listed Companies	Jayaswal Neco Industries Limited	Nil	Lloyds Metals and Energy Limited
Memberships/Chairmanships of committees of other Listed Companies	Member of Audit Committee	Nil	Member of Audit Committee and Stakeholder Relationship Committee.
Number of shares held in the Company	Nil	Nil	7095
Terms and conditions of appointment	Non-Executive Independent Director not liable to retire by rotation.	Non-Executive Independent Director not liable to retire by rotation.	Chairman and Whole Time Director

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

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

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

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

**Date: 31st May, 2021
Place: Mumbai**

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

LLOYDS STEELS INDUSTRIES LIMITED

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

Annexed to the Notice convening the Twenty Seventh Annual General Meeting Scheduled to be held on Thursday, 15th July, 2021.

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

Item No. 3

The Board of Directors, at its Meeting held on 31st May, 2021, upon the recommendation of the Audit Committee, approved the appointment of M/s. Manisha & Associates, Cost Accountants as Cost Auditors of the Company for the financial year ending on 31st March, 2022, to conduct audit of cost accounting records of the Company as may be required for cost audit under the Companies Act, 2013, and Rules made thereunder, at a remuneration of ₹ 35,000 (Rupees Thirty-Five Thousand only) (plus Goods and Services Tax and reimbursement of out of pocket expenses, if any).

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

Accordingly, consent of the Members is sought for passing an **Ordinary Resolution** as set out at Item No. 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, 2022.

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, based on the recommendation of the Nomination and Remuneration Committee, vide its resolutions dated 11th September, 2020 appointed Mr. K.M. Pradhan (DIN: 02749508) as an Additional Non-Executive Director of the Company with effect from 11th September, 2020, who holds office upto the date of this AGM.

The aforementioned Director is not disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013.

In terms of section 160 of the Companies Act, 2013, the Company has received notice in writing from a member proposing the candidature of Mr. K.M. Pradhan to be appointed as a Non-Executive Director of the Company as per the relevant provisions of the Companies Act, 2013. Further, as per the proviso to Sec. 160 which is made effective February 09, 2018 the requirements of deposit of amount shall not apply in case of appointment of Non-Executive Director is recommended by Nomination and Remuneration Committee.

Since Mr. K.M. Pradhan is a Non- Executive Director of the Company whose appointment is recommended by Nomination and Remuneration Committee, there is no requirement of submission of requisite deposit.

A copy of the draft letter for appointment of Mr. K.M. Pradhan setting out the terms and conditions of appointment and other relevant documents shall be available for inspection as per the instructions provided in the Note No. 11 of this Notice.

Mr. K.M. Pradhan, aged 62 years is an experienced Banking Professional. Shri. Pradhan has worked with Indian Airlines, Reserve Bank of India, Bank of India and joined the Industrial Development Bank of India (IDBI) in 1983. After serving 37 years in different departments of the Banking Sector, he retired as General Manager from IDBI. During his tenure with IDBI, he was deputed to Investor Services of India Limited which was a subsidiary of IDBI for 3 years as Chief Executive Incharge.

Mr. K.M. Pradhan during his 37 years of service worked in Project Finance, Central Administration, Research, Central Accounts, Resource Management, Human Resources, Recovery (NPA Management), Audit, Business Development & Central Strategic and Planning Departments and acquired rich experience.

Mr. K.M. Pradhan being an experienced professional will be valuable to our Company's Board.

Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India is annexed hereto and forms part of this Notice of Annual General Meeting

The Board of Directors recommends the passing of the **Ordinary Resolution** as set out in Item No. 4 of the Notice for your approval.

Except Mr. K.M. Pradhan being an appointee, and his relatives, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise, in the resolution.

Item No.5

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, vide its resolutions dated 24th March, 2021 appointed Mr. Ashok Tandon (DIN: 00028301) as an Additional Non- Executive Director of the Company with effect from 1st April, 2021, who holds office up to the date of this AGM.

Mr. Ashok Tandon is not disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013.

In terms of section 160 of the Companies Act, 2013, the Company has received notice in writing from a member proposing the candidature of Mr. Ashok Tandon to be appointed as a Non-Executive Director of the Company as per the relevant provisions of the Companies Act, 2013. Further, as per the proviso to Sec. 160 which is made effective February 09, 2018 the requirements of deposit of amount shall

ANNUAL REPORT 2020-21

not apply in case of appointment of Non-Executive Director is recommended by Nomination and Remuneration Committee. Since Mr. Ashok Tandon is a Non- Executive Director of the Company whose appointment is recommended by Nomination and Remuneration Committee, there is no requirement of submission of requisite deposit.

A copy of the draft letter for appointment of Mr. Ashok Tandon setting out the terms and conditions of appointment and other relevant documents shall be available for inspection as per the instructions provided in the Note No. 11 of this Notice.

Mr. Ashok Tandon is a Graduate in Engineering (Mechanical) from SGS Institute of Technology & Science, Indore and having vast Business Experience of over 40 years in the core industry of Engineering/Steel Sector, Oil/Refinery Sector and Capital Equipment/EPC Sectors. He was also the Profit Sector Head of Strategic Business Unit for over 27 years out of the 40 years. He has worked in large Public Sector Undertakings like HPCL Refinery, Vishakapatnam, M.N. Dastur & Company Ltd., Kolkata, ISPAT Industries Ltd., Kolkata/Raigad, Welspun Group etc. in Senior Managerial Positions and has successfully completed various State of Art Industrial Projects.

Mr. Ashok Tandon being an experienced professional will be valuable to our Company's Board.

Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India is annexed hereto and forms part of this Notice of Annual General Meeting.

The Board of Directors recommends the passing of the Ordinary Resolution as set out in Item No. 5 of the Notice for your approval.

Except Mr. Ashok Tandon being an appointee, and his relatives, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise, in the resolution.

Item No. 6

The Board at their meeting held on 31st May, 2021 resolved to appoint Mr. Mukesh R. Gupta (DIN:00028347) as Whole Time Director of the Company (Designated as Chairman and Whole Time Director) for a period of 3 years from 31st May, 2021 to 30th May, 2024 along with remuneration, on the recommendation of the Nomination and Remuneration Committee subject to the approval of the shareholders at this Annual General Meeting. Mr. Mukesh R. Gupta is aged about 63 years and is a successful industrialist having vast knowledge and rich experience of over 40 years in various industries such as Steel, Engineering, Power, Finance, Consumer related, Construction, Trading and other sectors. He is also the promoter of the company. The Board is of the opinion that his appointment would be in the best interest of the Company.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The details of remuneration per annum payable to Mr. Mukesh R. Gupta and the terms and conditions of the appointment are given below:

Details	(Amount in ₹)
a) Remuneration	4,80,000/-
b) Perquisites and Allowances	44,62,404/-

In addition to the above, Mr. Mukesh R. Gupta is also eligible for:

- i. Contribution to Provident Fund and Superannuation fund, as per rules of the Company.
 - ii. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
 - iii. Leave and Encashment of Leave as per the Rules of the Company.
- c) The Company shall pay to or reimburse to the Whole Time 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.

THE REQUISITE INFORMATION AS REQUIRED PURSUANT TO SCHEDULE V SECTION II (A) TO THE COMPANIES ACT, 2013 IS AS UNDER:

I. GENERAL INFORMATION:

- a. Nature of Industry: Manufacturing of Engineering and Capital Equipment products and execution of turnkey contracts.
- b. Date of commencement of Commercial Production: 1994 (The Company was incorporated in 1994. However, the engineering activity of the company acquired as per scheme of arrangement are in existence since 1974).
- c. In case of new Companies, expected date of Commencement of activities as per project approved by financial institutions appearing in the prospectus.: N.A.
- d. Financial performance based on given indicators

(₹ in Lakhs)

Particulars	2020-21	2019-20
Total Income	8,314.46	12,276.35
Profit Before Tax	69.56	327.29
Profit After Tax	50.37	249.05

II. INFORMATION ABOUT THE APOINTEE MR. MUKESH R. GUPTA

i. Background Details:

Mr. Mukesh R. Gupta is aged about 63 years. He is a successful industrialist having vast knowledge and rich experience of over 40 years in various

LLOYDS STEELS INDUSTRIES LIMITED

industries such as such as Steel, Engineering, Power, Finance, Consumer Related, Construction, Trading and other sectors.

ii. **Past Remuneration:** Nil

iii. **Recognition or Awards:** Nil

iv. **Job Profile and its suitability:**

He was appointed as a Whole Time Director (Designated as Chairman and Whole Time Director) of the Company on 31.05.2021 on the recommendation of Nomination and Remuneration Committee and subject to approval by shareholders in this AGM. He is responsible for the overall affairs, management and operation of the Company.

v. **Remuneration (Per Annum):**

Details	(Amount in ₹)
a) Remuneration	4,80,000/-
b) Perquisites and Allowances	44, 62,404/-

In addition to the above, Mr. Mukesh R. Gupta is also eligible for:

- i. Contribution to Provident Fund and Superannuation Fund, as per rules of the Company.
 - ii. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
 - iii. Leave and Encashment of Leave as per the Rules of the Company.
- c) The Company shall pay to or reimburse to the Whole Time 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.
- vi. **Comparative Remuneration:** The remuneration proposed is reasonable as compared to the size of the company, industry profile and position of the person as well as the profile in the industry.
- vii. **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial person, if any:** - Mr. Mukesh R. Gupta is having Promoter interest in the company.

III. OTHER INFORMATION:

Reasons of Loss or Inadequate Profits:

- Slowing down of the economy on account of the COVID-19 pandemic.
- Increase in the cost of production
- Shortage of Working Capital

- Margin pressure due to competitive industry
- Slow phase of expansion in the associated industries

Steps taken or proposed to be taken for improvement:

The Company is taking appropriate steps for overcoming the hurdles.

- Efforts to improve the working capital of the Company;
- Exploring new/fresh business opportunities/avenues;

A copy of the relevant documents shall be available for inspection as per the instructions provided in the Note No. 11 of this Notice.

The Board recommends passing of the **Special Resolution** under item No. 6 of the Notice for your approval.

None of the other Directors except Mr. Mukesh R. Gupta is in any way concerned or interested in this Resolution.

Item No. 7

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. S.N. Singh (DIN: 00398484) was appointed as an Independent Director of the Company for a period of 5 (five) consecutive years for a term upto 31st August 2021. Since, Mr. S.N. Singh will complete his initial term as an Independent Director of the Company on 31st August, 2021, he is eligible for re-appointment for one more term. Mr. S.N. Singh is a B. Tech, Metallurgy Engineer (1st Class) from B.I.T. Sindri, Ranchi University and has served in different Iron & Steel Plants in Senior Positions and an Advisor both in Public and Private Sectors in India and Abroad, including TATA Group, Uttam Group, Kalyani Group, Essar Group, Monnet Group, Sunflag Group, JSPL, JSW & SAIL for over 40 years.

Presently Mr. S.N. Singh is an Advisor to CISDL, China and other companies in India on need basis. The Company has received a declaration from Mr. S.N. Singh, being eligible for re-appointment as an Independent Director for the second term providing his consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended from time to time. The Company has also received a declaration from Mr. S.N. Singh confirming the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and under Regulation 16(b) of the Listing Regulations, as amended from time to time. Mr. S.N. Singh is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time. In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and is independent of the management.

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member proposing the candidature of Mr. S.N. Singh to be reappointed as an Independent Director of the Company as per the provisions of the Companies Act, 2013.

A copy of the draft letter for re-appointment of Mr. S.N. Singh setting out the terms and conditions of re-appointment shall be available for inspection as per the instructions provided in the Note No. 11 of this Notice.

Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India is annexed hereto and forms part of this Notice of Annual General Meeting.

The Board after taking into consideration his rich experience, knowledge, continued valuable guidance provided to the management and outcome of performance evaluation of the Independent Directors, is of the opinion that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services. Accordingly, consent of the Members is sought for passing Special Resolution as set out in this item of the Notice for reappointment of Mr. S.N. Singh as an Independent Director of the Company.

Except Mr. S.N. Singh, being an appointee, 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. 7.

This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board recommends passing of the **Special Resolution** under item No. 7 of the Notice for your approval.

Item No. 8

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Bela Sundar Rajan (DIN: 00548367) was appointed as an Independent Woman Director of the Company for a period of 5 (five) consecutive years for a term upto 31st August 2021. Since, Mrs. Bela Sundar Rajan will complete her initial term as an Independent Director of the Company on 31st August 2021, she is eligible for re-appointment for one more term. A Postgraduate in Law and Journalism with more than two decades of experience in Public Relations, Media and Communications Active in various industry bodies, part of the Editorial Board of Advertising Club of Mumbai and the Chairperson of FLO (The Ladies Organization of Federation of Indian Chambers of Commerce of India – FICCI, 2010-11, Mumbai Chapter) where her focus was to promote young upcoming women entrepreneurs and educate the girl child. During her term FLO, launched the Sanitation for Girls in Secondary Schools (SGS) initiative.

The Company has received a declaration from Mrs. Bela Sundar Rajan, being eligible for re-appointment as an Independent Director for the second term providing her consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended from time to time. The Company has also received a declaration from Mrs. Bela Sundar Rajan confirming the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and under Regulation 16(b) of the Listing Regulations, as amended from time to time. Mrs. Bela Sundar Rajan is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time. In the opinion of the Board, she fulfills the conditions specified in the Companies Act, 2013 and is independent of the management.

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member proposing the candidature of Mrs. Bela Sundar Rajan to be reappointed as an Independent Woman Director of the Company as per the provisions of the Companies Act, 2013.

A copy of the draft letter for re-appointment of Mrs. Bela Sundar Rajan setting out the terms and conditions of re-appointment shall be available for inspection as per the instructions provided in the Note No. 11 of this Notice.

Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India is annexed hereto and forms part of this Notice of Annual General Meeting.

The Board after taking into consideration her rich experience, knowledge, continued valuable guidance provided to the management and outcome of performance evaluation of the Independent Directors, is of the opinion that her continued association would be of immense benefit to the Company and it is desirable to continue to avail her services. Accordingly, consent of the Members is sought for passing Special Resolution as set out in this item of the Notice for reappointment of Mrs. Bela Sundar Rajan as an Independent Woman Director of the Company.

Except Mrs. Bela Sundar Rajan, being an appointee, 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. 8.

This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board recommends passing of the **Special Resolution** under item No. 8 of the Notice for your approval.

Item No. 9

Vide Companies (Amendment) Act, 2017, Section 185 of the Companies Act, 2013 has been amended and the same was notified by the Ministry of Corporate Affairs on 7th May, 2018. In terms of the amended Section 185 of the Companies Act, 2013 a company may advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person

LLOYDS STEELS INDUSTRIES LIMITED

or Body Corporate in whom any of the Director(s) of the Company is interested subject to the condition that approval of the shareholders of the Company is obtained by way of Special Resolution and requisite disclosures are made in the Explanatory Statement.

In view of the above and as an abundant caution, the Board at its meeting held on 31st May, 2021 decided to seek approval of the shareholders pursuant to the amended provisions of Section 185 of the Companies Act, 2013 to advance any loan including any loan represented by book debt, or give guarantee or provide any security in connection with any loans / debentures / bonds etc. raised by any entity/ Company/ Body(ies) Corporate/ LLP, subsidiary, associate and joint venture of the Company in whom any of the Director(s) of the Company is interested up to an aggregate amount not exceeding ₹ 50 Crores (Rupees Fifty Crores Only). This will also enable the Company to provide the requisite corporate guarantee or security in relation to raising of loans / debentures / bonds etc. by the said subsidiary(ies) / associates / JV Companies /body corporates, as and when it is raised.

None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolutions except to the extent of their shareholding in the Company, if any.

The Board recommends passing of the **Special Resolution** under item No. 9 of the Notice for your approval.

Item No. 10

In view of the Appointment Mr. Mukesh R. Gupta as Chairman and Whole Time Director on the Board of the Company w.e.f. 31st May, 2021, the Company M/s. Lloyds Metals and Energy Limited falls under the definition of "Related Party" within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations. The Company intends to continue sale, purchase, supply and service transactions with M/s. Lloyds Metals and Energy Limited, as per already existing various Sale/Supply/Purchase/Service Orders of ₹ 186.75 Crore in Ordinary Course of Business before this relationship existed out of which the balance orders to be executed amounts to ₹ 153.50 Crores after the 31st May, 2021. Moreover, the Company is expecting additional ₹ 26.50 Crores worth of Contract (s)/Arrangement(s)/Transaction(s) with M/s. Lloyds Metals and Energy Limited.

As per the requirements of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), all material related party transactions shall require the approval of Members through a Resolution. Further, the explanation to Regulation 23(1) of the SEBI Listing Regulations states that a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during the financial year, exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

Accordingly, the Board of Directors of the Company based on the approval of Audit Committee meeting held on 31st May, 2021 have approved Related Party Transaction and now seek approval of the shareholders by way of Ordinary Resolution to enable the Company to continue and/or enter into the following Related Party Transaction in one or more tranches. The transactions under consideration, is to be entered into by the Company with M/s. Lloyds Metals and Energy Limited for Contract(s)/ arrangement(s)/ transaction(s) which is in the ordinary course of business and at arm's length basis.

Pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transactions are as follows:

Sr. No.	Particulars	Remarks
1.	Name of the Related Party	Lloyds Metals and Energy Limited(LMEL)
2.	Name of the Director or KMP who is related	Mr. Mukesh R. Gupta
3.	Nature of Relationship	Mr. Mukesh R. Gupta is a Director and holds along with his relatives more than two per cent of the Share Capital in LMEL.
4.	Nature, material terms, monetary value and particulars of the Contract(s)/ arrangement(s)/ transaction(s)	The transactions are based on contracts issued from time to time for Sale/Supply/Purchase/ Services. Monetary Value of the aggregate transaction(s) is ₹ 180 Crores as per the terms mentioned in the contracts and amendments/extension(if any).
5.	Any other information relevant or important for the members to take a decision on the proposed resolution	Prices are negotiated and agreed mutually based on product specification and degree of customization/ technology involved.

No Shareholder of the Company being a related party or having any interest in the Ordinary Resolution as set out at Item No. 10 of the Notice shall be entitled to vote on this Ordinary Resolution.

None of the other Directors, Key Managerial Personnel and their relatives other than mentioned above are concerned or interested, financially or otherwise in the resolution set out in item no. 10.

The Board recommends the **Ordinary Resolution** set out at item no. 10 of the Notice for approval by the Members.

Item No. 11

The Appointment of Related Party's to any office or place of profit is governed by the provisions of section 188(1) of the Companies Act, 2013 Act read with Companies (Meetings of Board and its powers) Rules, 2014 requires a Company to obtain prior approval/ratification of the Board of Directors and in certain cases approval of the shareholders is also required.

Mr. Shree Krishna Gupta is a graduate from BRUNEL University, United Kingdom and has a young and fresh perspective for the growth of the company. Mr. Shree Krishna Gupta is in employment with the company w.e.f. 01st January, 2019 designated as the Executive Vice President of the company. However, in view of the Appointment of Mr. Mukesh R. Gupta as a Whole Time Director (Designated as Chairman & Whole Time Director) w.e.f 31st May, 2021, The position of Mr. Shree Krishna Gupta being the son of Mr. Mukesh R. Gupta, will be categorize as a place of profit in the company under section 188(1)(f) and all other provisions of the Companies Act,2013 read with the Companies (Meetings of Board and its powers) Rules, 2014 thereunder (including any statutory modification(s) or reenactment thereof, for the time being in force), will be applicable.

Pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transactions are as follows:

Sr. No.	Particulars	Remarks
1.	Name of the Related Party	Mr. Shree Krishna Gupta
2.	Name of the Director or KMP who is related	Mr. Mukesh R. Gupta
3.	Nature of Relationship	Holding Place of Profit w.e.f. 31.05.2021 (Mr. Mukesh R. Gupta, Chairman and Whole Time Director is the Father of Mr. Shree Krishna Gupta)
4.	Nature, material terms, monetary value and particulars of the Contract(s)/ arrangement(s)/ transaction(s)	Monthly Salary Not exceeding ₹ 16 Lakhs as per company's policy.
5.	Any other information relevant or important for the members to take a decision on the proposed resolution	Appointment was made on 01.01.2019 as per the employment policy of the company on the merit of Mr. Shree Krishna Gupta.

The Board of Directors of the Company, based on the approval of Audit Committee at their meeting held on 31st May 2021 have approved the continuance of Mr. Shree Krishna Gupta as Executive Vice President, holding a place of profit subject to the approval of the Shareholders by way of an Ordinary Resolution.

None of the other Directors, Key Managerial Personnel and their relatives other than mentioned above are concerned or interested, financially or otherwise in the resolution set out in item no. 11.

The Board recommends the **Ordinary Resolution** set out at item no. 11 of the Notice for approval by the Members.

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

**Date: 31st May, 2021
Place: Mumbai**

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

LLOYDS STEELS INDUSTRIES LIMITED

E-COMMUNICATION REGISTRATION FORM

(Only for members holding shares in physical form)

Date:

To,
Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri East, Mumbai 400059.

UNIT – LLOYDS STEELS INDUSTRIES LIMITED

Dear Sir,

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

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

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

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

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Company's Twenty Seventh Annual Report and the Company's Audited Financial Statements for the Financial Year Ended 31st March, 2021.

1. FINANCIAL HIGHLIGHTS:

The Company's financial highlights for the year ended 31st March, 2021 is summarized below:

(₹ in Lakhs)

Particulars	Current Year 2020-21	Previous Year 2019-20
Income from Operations	7,005.09	11,446.48
Other Income	1,309.37	829.87
Total Income	8,314.46	12,276.35
Profit before Interest, Depreciation & Tax	305.86	538.95
Less : Finance Cost	76.81	54.46
Depreciation	159.49	157.20
Profit/(Loss) before tax	69.56	327.29
Less: Tax Expenses (Net)	19.19	78.24
Profit/(Loss) for the Year	50.37	249.05
Other Comprehensive Income (Net)	54.79	36.33
Total Comprehensive Income	105.16	285.38

2. PERFORMANCE 2020-21:

During the year under review the Company achieved a turnover of ₹ 7,005.09 Lakhs as compared to ₹ 11,446.48 Lakhs in the previous year. The decrease is mainly on account of the economic slowdown as a consequence of the COVID-19 pandemic. The operating EBIDTA for the year is ₹ 305.86 Lakhs as against ₹ 538.95 Lakhs in the previous year. The Company has posted a Profit Before Tax of ₹ 69.56 Lakhs during the year as against ₹ 327.29 Lakhs in the previous year after providing depreciation of ₹ 159.49 Lakhs (Previous Year ₹ 157.20 Lakhs) and has posted a Profit of ₹ 50.37 Lakhs as against ₹ 249.05 Lakhs in the previous year after considering tax expenses (Net) of ₹ 19.19 Lakhs (previous year ₹ 78.24 Lakhs). The total Comprehensive Income for the current year is ₹ 105.16 Lakhs as against ₹ 285.38 Lakhs in the previous year after considering Other Comprehensive Income of ₹ 54.79 Lakhs (Previous Year Other Comprehensive income ₹ 36.33 Lakhs).

3. TRANSFER TO RESERVE:

The Board of 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, 2021.

5. CHANGE IN THE NATURE OF BUSINESS ACTIVITIES:

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

6. 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 Energies, France (earlier Technip FMC / 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 equipment's such as Column, Pressure Vessels, Dryers, Boiler Package, Construction of Mounded Vessels and Fire Water Tanks, Spares, carried out erection, installation and commissioning work and provided technical services to various Public and Private Sector Companies and Government Bodies /Agencies in diversified areas and fields broadly covering Refinery & Petroleum, Oil & Gas, Power, Steel Plant Equipments, Mining, Nuclear Projects, Ports and Naval Shipyard amongst others.

The Company is approved for its engineering skills/works/services by various premier consulting companies and Inspection Agencies such as 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.

LLOYDS STEELS INDUSTRIES LIMITED

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 despite the prevailing Pandemic and actively looking for obtaining further orders/execution of works in India and Abroad. The Company’s order position as on 01.04.2021 stands at ₹ 211.05 Crores, a major portion of which the Company hopes to execute during the current financial year barring unforeseen circumstances.

a. Engineering Industry and Business Overview:

The prospects of Indian Engineering Industry has been affected by the sudden Covid-19 pandemic since March 2020 which has an adverse effect on the overall industrial scenario and business prospects as the expansion plans of various industries are on slow track and there is severe competition towards securing orders as the country’s projected growth rate is on slower pace.

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. 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 periodically reviewed.

3. Various policies are introduced from time to time to ensure effective functioning of various departments, such as Business Development, Projects, Procurement, Commercial, Finance, HR, etc.
4. 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, the Covid-19 pandemic and other related and incidental factors.

f. Key Financial Ratios:

In accordance with the SEBI (Listing Obligations and Disclosure Requirements 2018) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key financial ratios.

The Company has identified the following ratios as key financial ratios:

Particulars	2020-21	2019-20
Operating Profit Margin(%)	2.09	3.34
Net Profit Margin (%)	0.72	2.18
Return on Net Worth (%)	0.56	2.77
Current Ratio	4.33	3.60
Inventory Turnover Ratio	2.79	3.31
Debtors Turnover Ratio	4.18	1.94

Notes:

- Interest Coverage Ratio and Debt Equity Ratio are not relevant for the Company as it has negligible debt.
- There has been change of 25% or more as compared to the immediately previous financial year in key financial ratios due to impact of COVID-19.
- The return on net worth has decreased due to the decrease in the profits of the Company from ₹ 249.05 Lakhs in the previous Financial Year 2019-20 to ₹ 50.67 Lakhs in the Current Financial Year 2020-21.

7. SUBSIDIARY & CONSOLIDATED FINANCIAL STATEMENTS:

The Company is not required to consolidate its financial statements for the year ended 31st March, 2021 as the Company doesn't have any subsidiary, Associates and joint ventures Companies.

8. 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 ₹ 89,86,98,382 as on 31st March, 2021.

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

The Outbreak of Covid-19 pandemic since March 2020 followed by the nationwide lockdown as well as lockdown and restrictions being imposed by the State Government and various authorities from time to time and continuing as on date of this report has seriously impacted the delivery schedules of various orders/jobs under execution by the Company and consequently has adversely affected the cash flow and financial position of the Company.

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. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Ashok Tandon (DIN:00028301)

Mr. Ashok Tandon has retired from the services on account of superannuation from the closing business hours of 31st March, 2021 and consequently retired from the position of Managing Director. He has however been appointed as an Additional Non- Executive Director on the Board w.e.f. 01st April, 2021 who shall hold office up to the date of the ensuing Annual General Meeting of the Company.

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

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

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

In accordance with the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015, Mr. K.M. Pradhan was appointed on 11th September, 2020 as an Additional Non-Executive Director on the Board of the Company who shall hold office up to the date of the ensuing Annual General Meeting of the Company.

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

Mr. S.N. Singh, an Independent Director of the Company will be completing his present term on 31st August, 2021. On the recommendation of the Nomination and Remuneration Committee, the Board of Directors subject to the approval of shareholders in the ensuing Annual General Meeting has reappointed Mr. S.N. Singh as an Independent Director of the Company for a further term of five years w.e.f. 1st September, 2021 to 31st August, 2026.

Mrs. Bela Sundar Rajan (DIN:00548367)

Mrs. Bela Sundar Rajan, an Independent Woman Director of the Company will be completing her present term on 31st August, 2021. On the recommendation of the Nomination and Remuneration Committee, the Board of Directors subject to the approval of shareholders in the ensuing Annual General Meeting has reappointed Mrs. Bela Sundar Rajan as an Independent Woman Director of the Company for a further term of five years w.e.f. 1st September, 2021 to 31st August, 2026.

Mr. P.R. Ravi Ganesan

Mr. P.R. Ravi Ganesan, Chief Financial Officer & Company Secretary of the Company has retired from the Company on account of superannuation from the closing hours of 31st December, 2020.

Mr. Kalpesh P. Agrawal

The Board has appointed Mr. Kalpesh P. Agrawal as the Chief Financial Officer of the Company with effect from 27th January 2021 to fill the vacancy caused due to the retirement of Mr. P.R. Ravi Ganesan.

LLOYDS STEELS INDUSTRIES LIMITED

Ms. Meenakshi A. Pansari

The Board has appointed Ms. Meenakshi A. Pansari as the Company Secretary and Compliance Officer of the Company with effect from 27th January 2021 to fill the vacancy caused due to the retirement of Mr. P.R. Ravi Ganesan.

Statement and Disclosure of material event by the Board of Directors:

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

The Board of Directors further state that during the year under review M/s. Shree Global Tradefin Ltd, one of the significant shareholders of the Company entered into a Share Purchase Agreement with Promoters of the Company namely M/s. FirstIndia Infrastructure Private Ltd., (32.05%) and M/s. Metallurgical Engineering and Equipments Ltd., (14.06%) to acquire their entire combined shareholdings of 46.11% of your Company which had triggered an open offer to be made by M/s. Shree Global Tradefin Ltd., to the Shareholders of your Company in accordance with the statutory rules and regulations.

The Board of Directors further state that after compliance of all the procedural requirements with respect to the open offer and completion thereof, M/s. Shree Global Tradefin Ltd. has become the largest shareholder of your Company having controlling interest in the capacity of promoters.

Consequently, Mr. Mukesh R. Gupta, is having DIN: 00028347 and having a promoter interest in Shree Global Trade Fin Ltd., has been appointed in the Board of the Company as a Whole Time Director with effect from 31.05.2021 based on the recommendations of the Nomination and Remuneration Committee subject to Shareholder Approval in the ensuing Annual General Meeting. The Board has further appointed Mr. Mukesh R. Gupta as Chairman of the Company.

12. DISCLOSURE RELATED TO BOARD AND CORPORATE GOVERNANCE:

- a. Number of Meetings of the Board:** Total 6 (Six) Board Meetings were held during the financial year 2020-21 as required u/s 134 (3) (b) of the Companies Act, 2013, the details of which are as under:

Date of Board meetings	Purpose
19 th June 2020	Financial Results & General Purpose
11 th September 2020	Financial Results & General Purpose
11 th November 2020	Financial Results & General Purpose
27 th January 2021	General Purpose
10 th February 2021	Financial Results & General Purpose
24 th March 2021	General Purpose

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

- b. Committees of the Board:** The detailed information with regard to the composition of Board and its Committee(s) and their respective meetings etc. are stated in the Corporate Governance Report of the Company which forms part of this Annual Report.
- c. Corporate Governance:** The Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are complied with. As per Regulation 34(3) Read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on corporate governance, together with a certificate from the Company's Statutory Auditors, forms part of this Report (**Annexure – A**).
- d. Performance Evaluation of the Board and its Committee(s):** The Board has carried out an annual performance evaluation of its own performance and that of its Committees and individual Directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.
- e. Meeting of the Independent Directors:** During the year under review, the Independent Directors met on 10th February, 2021 inter alia, to:
- Review the performance of Non Independent Directors and the Board of Directors as a whole;
 - Review the performance of the Managing Director of the Company taking into account the views of the Directors;
 - Assess the quality, content and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

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

f. Declaration by Independent Directors:

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

g. Familiarization Programme for Independent Directors:

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

13. 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, 2021, 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, 2021 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.

14. 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.

15. ANNUAL RETURN:

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

16. 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.

LLOYDS STEELS INDUSTRIES LIMITED

Nomination and Remuneration Policy	The policy formulates the criteria for determining qualifications / competencies / positive attributes and independence related to the appointment, removal and remuneration of a Director (Executive / Non-Executive) and also the criteria for determining the remuneration of the Directors, Key Managerial Personnel and other employees covered under the prescribed criteria, if any.
Code of Conduct for Prohibition of Insider Trading	The Policy provides framework for dealing with the securities of the Company in mandated manner.
Risk Management Policy	The Risk Management Policy by the Company is in compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy helps to identify the various elements of risks faced by the Company, which in the opinion of the Board threatens the existence of the Company.
Policy for Procedure of Inquiry in Case of Leak of Unpublished Price Sensitive Information ("UPSI")	The SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 ("PIT Amendment Regulations") mandates every Listed Company to formulate a written policy and procedures for inquiry in case of leak of unpublished price sensitive information and initiate appropriate action on becoming aware of leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries. In pursuant to this regulation, the Company has adopted the Policy for Procedure of Inquiry in Case of Leak of Unpublished Price Sensitive Information ("UPSI").
Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information	The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information was revised pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 to include therein the policy for determination of "Legitimate purposes for sharing UPSI"

17. 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. M/s. Todarwal & Todarwal, Chartered Accountants converted itself into a Limited Liability Partnership (LLP) under the provisions of the Limited Liability Partnership Act, 2008 and is now known as M/s. Todarwal & Todarwal LLP (Firm Regn. No.W100231) with effect from 14th July, 2017.

The five year term of Statutory Auditors ended 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 were eligible to be reappointed for a further period of 3 years. Accordingly, the Board approved and recommended their reappointment for further period of 3 years beginning from 2019-20 to 2021-22 and the same was approved by the shareholders in the Annual General Meeting held on 19th August,2019.

(B) Audit Report: During the year 2020-21, no frauds have either occurred or noticed and/or reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (as amended from time to time).

The observations, if any, made by the Statutory Auditors in their Audit Report read with the relevant notes thereof as stated in the Notes to the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2021 are self-explanatory and being devoid of any reservation(s), qualification(s) or adverse remark(s) etc; and do not call for any further information(s)/ explanation(s) or comments from the Board under Section 134(3)(f)(i) of the Companies Act, 2013.

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

(C) Secretarial Auditor: Pursuant to Section 204 of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, the Board has re-appointed M/s. Hemaant Maheshwari & Associates, Practising Company Secretary (Membership No.ACS 26145

and Certificate of Practice No.10245) as the Secretarial Auditor of your Company to conduct Secretarial Audit for the financial year 2021-22.

(D) Secretarial Audit Report: Secretarial Audit Report as issued by the Secretarial Auditor, in Form No. MR-3 for the financial year 2020-21 is annexed herewith vide '**Annexure - C**' 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 31st March, 2021.

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

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 31.03.2020 with the Central Government in XBRL Mode within the time limit prescribed under the Companies Act, 2013.

18. PERSONNEL/PARTICULARS OF EMPLOYEES:

Pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the requisite details are annexed herewith vide '**Annexure-D**' and forms part of this report.

19. 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 2020-21 are stated in Notes to the Audited Financial Statements of the Company as annexed to this Annual Report.

20. 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 2020-21 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

21. LISTING OF SHARES:

The Equity Shares of the Company are continued to be listed and actively traded on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). The listing fees payable for the financial year 2020-21 has been paid to both the Stock Exchanges (BSE & NSE).

22. DEMATERIALIZATION OF SHARES:

As on 31st March 2021, there were approximately **89,03,91,289** Equity Shares dematerialized through depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, which represents about **99.08%** of the total issued, subscribed and paid-up capital of the Company.

23. SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE:

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

24. 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.

25. 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

LLOYDS STEELS INDUSTRIES LIMITED

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 Registrar & Share Transfer Agent.

26. COMPLIANCE WITH SECRETARIAL STANDARDS:

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

27. 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. 2020-21:

- 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. 2020-21, hence the disclosure u/s 134(3) (ca) is not applicable.

- g) The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations.

28. 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:** Secretarial Auditors Report in Form No. MR-3;
- d. **Annexure – D:** Details of Personnel/Particulars of Employees.

29. ACKNOWLEDGEMENT

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

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

**Date: 31st May, 2021
Place: Mumbai**

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

ANNEXURE - A

REPORT ON CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR 2020-21

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

Your Company is in compliance with the requirements on Corporate Governance as they stood during FY 2020-21.

2. BOARD OF DIRECTORS

(a) Size and composition of the Board

The Board of Directors of the Company as on 31.03.2021 comprised of Six (6) members, out of which One (1) is Managing Director, three (3) are Non-Executive & Independent Directors, one (1) is Additional Non-Executive Director and One (1) is 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**:

Sr. No	Name and Designation (DIN)	Status/ Category	Attendance in Meetings during FY 2020-21		Number of Directorships In other Companies		Committee Membership and Chairmanship in other Public Ltd. Co. \$		Shareholding in the Company
			Board Meetings (6 Meetings held)	AGM	Private	Public	Chairmanship	Membership	
1.	Mr. Ashok Tandon (00028301)**	Managing Director	6	Yes	1	-	-	-	-
2.	Mr. S. N. Singh (00398484)#	Independent Director	6	Yes	-	1	-	1	-
3.	Mrs. Bela Sundar Rajan (00548367)	Independent Woman Director	6	Yes	5	-	-	-	-
4.	Mr. Rajashekhar M. Alegavi (03584302)	Non-Executive Director	6	Yes	4	1	-	-	-
5.	Mr. A. Lakshman (08648489)	Independent Director	6	Yes	-	-	-	-	-
6.	Mr. K.M. Pradhan (02749508)*	Additional Non-Executive Director	5	N.A.	-	-	-	-	-

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. K.M. Pradhan appointed as an Additional Non-Executive Director w.e.f 11.09.2020.

** Mr. Ashok Tandon has retired from the post of Managing Director from the closing hours of 31.03.2021 and appointed as an Additional Non- Executive Director on the Board w.e.f. 01.04.2021.

Mr. S.N. Singh is a Non-executive Independent Director on Board in Jayaswal Neco Industries Limited, a Listed Company.

LLOYDS STEELS INDUSTRIES LIMITED

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, 2021. Both the Codes are posted on the website of the Company i.e. www.lloydsengg.in.

(c) Board Meeting:

The Board meets at regular intervals to discuss and decide on Company's business policies and strategy apart from other regular business matters. Board Meetings are usually held at the Corporate Office of the Company at Mumbai or through Video Conferencing/Other Audio Visual Means in the wake of COVID-19 pandemic and due to lockdown restrictions. The meetings and agenda items taken up during the meetings complied with the Companies Act, 2013 and Listing Regulations read with various circulars issued by Ministry of Corporate Affairs (MCA) and Securities Exchange Board of India ("SEBI") due to COVID-19 pandemic.

During the financial year ended on 31st March, 2021, 6 (Six) Board Meetings were held on 19th June, 2020, 11th September, 2020, 11th November, 2020, 27th January, 2021, 10th February, 2021 and 24th March, 2021. 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 detail of such familiarization programme can be accessed on the Company's website i.e. www.lloydsengg.in

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

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

Director	Analytical Skills	Sales & Business Development	Financial Expertise	Law & Policies	Public Relations
Mr. Ashok Tandon Managing Director	✓	✓	✓	✓	✓
Mr. S.N. Singh Independent Director	✓	✓	✓	✓	✓
Mrs. Bela Sundar Rajan Independent Woman Director	✓	-	-	✓	✓
Mr. Rajashekhar M. Alegavi Non-Executive Director	✓	✓	-	✓	✓
Mr. A. Lakshman Independent Director	✓	-	✓	✓	✓
Mr. K.M. Pradhan Additional Non-Executive Director	✓	-	✓	✓	✓

(f) Declaration by Independent Directors

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

(g) Resignation of Independent Directors

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

3. COMMITTEES OF THE BOARD

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

(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. S.N. Singh (Chairman)	4	4
Mrs. Bela Sundar Rajan	4	4
Mr. A. Lakshman	4	4

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

The Meetings were held on 19th June, 2020, 11th September, 2020, 11th November, 2021 and 10th February, 2021. The Company Secretary of the Company acts as Secretary to the Committee. The Audit Committee Meetings are attended by the CFO, Statutory Auditor, Internal Auditor and the Managing Director. The Non-Executive Directors are present as an invitee. Other persons are invited to the meetings as and when required.

d) Presence of Chairman of the Audit Committee:

Mr. S. N. Singh, Chairman of the Audit Committee was present in the Annual General Meeting held on 08th September 2020 during the financial year 2020-21.

e) Recommendations by the Audit Committee:

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

(ii) Nomination and Remuneration Committee:

a) Terms of Reference:

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

b) Composition, Name of Members and Chairperson:

Name of Member	No. of Meeting held	No. of Meeting attended
Mr. A. Lakshman (Chairman)	3	3
Mr. S.N. Singh	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 11.09.2020, 27.01.2021 and 24.03.2021

d) Remuneration Policy:

Remuneration Policy of the Company aims at recommending and reviewing the remuneration and professional fee if any (for specialized and technical services beyond the normal services) to 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,

LLOYDS STEELS INDUSTRIES LIMITED

responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its Committees. Such evaluation is presented to the Nomination and Remuneration Committee and the Board of Directors (as applicable).

Directors express their satisfaction with the evaluation process.

(iii) Stakeholders' Relationship Committee:

a) Terms of Reference:

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

b) Composition, Name of Members and Chairperson:

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

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

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

Meeting was held on 10.02.2021.

d) Investors' Complaints:

No. of Complaints pending as on 1 st April, 2020	0
No. of Complaints identified and reported during FY 2020-21	5
No. of Complaints disposed during the year ended 31 st March, 2021	5
No. of pending Complaints as on 31 st March, 2021	0

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

Smt. Bela Sundar Rajan, Chairman of the Stakeholder's Relationship Committee was present in the Annual General Meeting held on 08th September, 2020 during the financial year 2020-21.

4. REMUNERATION OF DIRECTORS:

The remuneration payable to the Managing Director is approved by the members at the general meeting of the Company. Remuneration of Managing Director consists of fixed salary, perquisites, allowances etc.,

Remuneration to Non- Executive Directors consists of sitting fees. Details of the remuneration paid to the Managing Director and Non-Executive Directors are given below:

S. No	Name of the Director	Salary	Perquisites and allowances	Sitting Fees	Total
1.	Mr. Ashok Tandon	47,87,915	46,16,019	-	94,03,934
2.	Mr. S. N. Singh	-	-	56,000	56,000
3.	Mrs. Bela Sundar Rajan	-	-	56,000	56,000
4.	Mr. Rajashekhar M. Alegavi	-	-	56,000	56,000
5.	Mr. A. Lakshman	-	-	56,000	56,000
6.	Mr. K.M. Pradhan	-	-	48,000	48,000

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 the following dates and times, wherein the following special resolutions were passed:

AGM	Year	Date, Day & Time	Venue	Brief Description of Special Resolution
26 th	2019-2020	08.09.2020 Tuesday 11:30 A.M	Through Video Conferencing (VC)/Other Audio Visual Means (OAVM)	No Special Resolution was passed in this meeting
25 th	2018-2019	19.08.2019 Monday 11.30 A.M.	Plot No. A-5/5, MIDC Industrial Area, Murbad, Dist. Thane - 421 401, Maharashtra	Revision in terms of appointment and remuneration of Mr. Ashok Tandon, Managing Director of the Company w.e.f. 01.04.2019.
24 th	2017-2018	09.08.2018 Thursday, 11.30 A.M.	Plot No. A-5/5, MIDC Industrial Area, Murbad, Dist. Thane - 421 401, Maharashtra	1. Revision in terms of remuneration of Mr. Ashok Tandon, Managing Director of the Company w.e.f. 01.04.2019. 2. Reappointment of Mr. Ashok Tandon as Managing Director of the Company for a further period of 3 years from 20.1.2019

b. Extra Ordinary General Meeting (EGM):

No Extra Ordinary General Meeting (EGM) was held during the financial year i.e 2020 -21.

c. Postal Ballot:

No Special Resolution was passed through postal ballot during the last financial year i.e 2020-21. 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: 15th July, 2021 (Thursday) Time: 11.30 A.M. Venue: Video Conferencing (VC)/ Other Audio Visual Means (OAVM) as approved by the Statutory Authorities.	
7.2	Financial Year	1 st April, 2020 to 31 st March, 2021	
7.3	Financial calendar	Approval of quarterly results: May, July, October and January. Annual General Meeting in June/July/August.	
7.4	Date of Book Closure	9 th July, 2021 to 15 th July, 2021	
7.5	Dividend Payment Date	No Dividend was declared during the financial year 2020-21.	
7.6	Listing on Stock Exchanges	Equity Shares BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 Scrip Code: 539992 ISIN No.INE093R01011	Equity Shares National Stock Exchange of India Ltd. (NSE) Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai 400 051. Scrip Code: LSIL ISIN No.: INE093R01011
7.7	Annual listing fee	Annual listing fee for the year 2020-21 has been paid to BSE and NSE.	
7.8	Correspondence Address	Corporate Office: A-2, Madhu Estate, 2 nd Floor, Pandurang Budhkar Marg, Lower Parel (W), Mumbai 400 013. Tel. No. 6291 8111.	

8. Stock Market Price Data – BSE & NSE:

2020-2021	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	0.46	0.34	33,717.62	0.45	0.30	9,859.90
May	0.84	0.41	32,424.10	0.80	0.40	9,580.30
June	1.39	0.66	34,915.80	1.40	0.70	10,302.10
July	1.52	0.73	37,606.89	1.50	0.70	11,073.45
August	0.97	0.71	38,628.29	0.95	0.70	11,387.50
September	0.82	0.66	38,067.93	0.85	0.65	11,247.55
October	0.79	0.64	39,614.07	0.80	0.65	11,642.40
November	0.75	0.67	44,149.72	0.75	0.65	12,968.95
December	1.25	0.69	47,751.33	1.25	0.65	13,981.75
January	1.07	0.83	46,285.77	1.10	0.80	13,634.60
February	1.05	0.86	49,099.99	1.05	0.85	14,529.15
March	1.44	1	49,509.15	1.45	0.95	14,690.70

LLOYDS STEELS INDUSTRIES LIMITED

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 : investor@bigshareonline.com

10. Share Transfer System:

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

11. Distribution of Shareholding:

The shareholding distribution of equity shares as on 31st March, 2021 is given hereunder: (Nominal value of each share ₹ 1/-)

NO. OF SHAREHOLDERS	% OF TOTAL	SHARE HOLDING	NO. OF SHARES	% OF TOTAL
161555	94.85	1-5,000	8,39,98,702	9.34
4400	2.58	5,001-10,000	3,58,58,804	3.99
2059	1.21	10,001-20,000	3,08,55,878	3.43
796	0.47	20,001-30,000	2,01,12,321	2.24
324	0.19	30,001-40,000	1,15,90,346	1.29
314	0.18	40,001-50,000	1,49,49,254	1.66
526	0.31	50,001-1,00,000	4,06,76,857	4.54
351	0.21	1,00,001 and above	66,06,56,220	73.51
1,70,325	100	Total	89,86,98,382	100

12. Categories of Shareholders (as on 31st March, 2021):

The categories of shareholders are shown hereunder:

CATEGORY	NO. OF SHAREHOLDERS	NO. OF SHARES	% OF HOLDING
Promoters	2	41,44,41,116	46.12
Bank / Financial Institutions	14	1,66,815	0.02
MFS & UTI	33	3,42,250	0.04
FII/ NRI /OCB's	2702	60,59,613	0.67
Clearing Members	130	59,24,515	0.66
Corporate Bodies	503	9,12,95,951	10.16
Corporate Bodies NBFC	1	3400	0.00
Public	166934	37,64,07,194	41.88
Trust	4	680	0.00
State Government	1	136	0.00
Unclaimed or Suspense or Escrow Account	1	40,56,712	0.45
TOTAL	1,70,325	89,86,98,382	100

13. Top Ten Shareholders across all categories as on 31st March, 2021:

SR. NO.	NAME OF SHAREHOLDERS	NO. OF SHARES	% OF HOLDING
1.	Firstindia Infrastructure Private Limited	28,80,73,478	32.05
2.	Metallurgical Engineering and Equipments Limited	12,63,67,638	14.06
3.	Shree Global Tradefin Limited	5,22,64,626	5.82
4.	Sunil Bhagwatlal Dalal	3,88,28,000	4.32
5.	Vistra Itcl (India) Limited	1,84,40,283	2.05
6.	Ragini Trading & Investments Ltd	96,86,386	1.08
7.	Champshi Manekji Shah	47,67,675	0.53
8.	Jasmini Atul Shah	45,65,300	0.51
9.	Atul Champshi Shah	45,65,297	0.51
10.	Damayanti Champshi Shah	44,73,800	0.50

14. Reconciliation of Share Capital Audit:

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

15. Dematerialization of Shares:

As per SEBI's direction the Company had signed tripartite agreements with both the Depositories (NSDL & CDSL) and Registrars and Transfer Agents. Accordingly, dematerialization facility for the shares of the Company is available and it is in the interest of all the shareholders to convert their physical holdings into electronic holdings by dematerialization. As on 31st March, 2021, **89,03,91,289** shares were held in dematerialized form which constitutes approximately **99.08%** of total number of subscribed shares.

16. Liquidity:

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

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 2020-21.

19. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

Not Applicable

20. Registered Office & Plant:**Registered Office:**

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

Plant:

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

21. Address for Correspondence:

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

Investor Correspondence:

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

M/s. Bigshare Services Private Ltd

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: investor@bigshareonline.com

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

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

22. Independent Directors' Confirmation:

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

LLOYDS STEELS INDUSTRIES LIMITED

23. 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:

Not Applicable

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 behavior, actual or suspected fraud or violation of the Company's Code of Conduct.

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

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

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

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

Not Applicable

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

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

g. Credit Ratings:

Not Applicable

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

Not Applicable

i. Green Initiative.

Pursuant to section 101 and 136 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and Companies (Accounts) Rules, 2014, the Company can send Notice of Annual General Meeting, financial statements and other Communication in electronic forms. This Company is sending the Annual Report including the Notice of Annual General Meeting, Audited Financial Statements, Directors Report, Auditors Report alongwith the annexure etc. for the financial year 2020-21 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's Registrar and Share Transfer Agent "Bigshare Services Private Limited".

j. 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.

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

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

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

There was no Related Party Transactions during the financial year ended 31st March, 2021. 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 and 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. Details of Total Fees Paid to The Statutory Auditors, Cost Auditors and Secretarial Auditors:

The details of total fees for all services paid by the Company on a consolidated basis for the Statutory Audit, Cost Audit and Secretarial Audit are as follows:

(₹ In Lakhs)

Type of Service	2020-21	2019-20
Statutory Audit Fees	1.50	1.50
Tax Audit Fees	0.50	0.50
Cost Audit Fees	0.35	0.35
Secretarial Audit Fee	0.30	0.30
Total	2.65	2.65

31. Disclosures with respect to DEMAT Suspense Account/ Unclaimed Suspense Account:

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the listed entity shall disclose the details with respect to Demat Suspense Account/Unclaimed Suspense Account in its annual

report, as long as there are shares in the unclaimed suspense account. The details of Lloyds Steels Industries Limited Unclaimed Suspense Account are as follows:

Sr. No	Particulars	Demat	
		No. of Shareholders	No. of Unclaimed Equity Shares
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 01 st April, 2020	27,211	40,58,718
2	Unclaimed shares transferred to unclaimed suspense account during the financial year 2020-21	0	0
Total (1+2)		27,211	40,58,718
3	Number of Shareholders, Number of Unclaimed Equity Shares & Number of shareholders to whom shares were transferred from suspense account during the financial year 2020-21	9	2006
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31 st March, 2021 (1+2-3)	27,202	40,56,712

The voting rights on the shares in the Unclaimed Suspense Accounts as on 31st March, 2021 shall remain frozen till the rightful owners of such shares claim the shares.

32. CEO/CFO Certification:

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

LLOYDS STEELS INDUSTRIES LIMITED

33. Independent Director Confirmation

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

34. Compliances under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

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

However, there was a delay in Appointment of 6th Director on the Board w.e.f. 1st April 2020 till 10th September, 2020 due to unavoidable circumstances and on account of the nationwide lockdown due to COVID-19 pandemic for which BSE and NSE issued notices imposing fines which was subsequently waived off by BSE fully and waived off by NSE partially based on our representations with reasons to the Stock Exchanges.

The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is annexed hereto marked as “Annexure - II” and forms part of this report.

35. Certification from Company Secretary in Practice:

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

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

In terms of Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per “Affirmation of Compliance” letters received from the Directors and the Members of the Senior Managerial Personnel of the Company, I hereby declare that Members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management during the Financial Year 2020-21.

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

**Dated: 31st May, 2021
Place : Mumbai**

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

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

To,
 The Board of Directors
Lloyds Steels Industries Limited

We hereby certify that we have reviewed the Financial Statements and the Cash Flow Statement for the Financial Year Ended 31st March, 2021 and that to the best of our knowledge and belief:

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

Sd/-
Kalpesh P. Agrawal
Chief Financial Officer

Date: 31st May, 2021
Place: Mumbai

ANNEXURE - II

Auditors' Certificate regarding compliance of conditions of Corporate Governance

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

We have examined the compliance of conditions of Corporate Governance by Lloyds Steels Industries Limited (the Company), for the year ended 31st March, 2021, as prescribed in Regulations 17 to 27, 46 (2) (b) to (i) and para C and D of Schedule V of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

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

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

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

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

Sd/-
Kunal Todarwal
Partner M.No.137804
UDIN: 21137804AAAAFJ1895

Dated: 31st May, 2021
Place: Mumbai

LLOYDS STEELS INDUSTRIES LIMITED

ANNEXURE – III

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, 2021, 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.

For H. Maheshwari & Associates,

Sd/-

Hemaantt Maheshwari

Proprietor

ACS No.26145

COP No.10245

UDIN: A026145C000420066

Date: 31st May, 2021

Place: Mumbai

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

1. CONSERVATION OF ENERGY:

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

2. TECHNOLOGY ABSORPTION:

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

3. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ in Lakhs)

Account Head	2020-21	2019-20
Earnings:		
Technical Consultants	4.93	13.96
Technical Assistance	0.37	-
FOB Value of Exports	-	-
Outgo:		
Travelling	-	2.90
Raw Materials, Stores and Spares	132.34	651.40
Engineering and Design	2.71	-
Technical and Professional Charges	-	208.10
Membership & Subscription	14.63	-
Testing Charges	-	-
Repairs & Maintenance – Plant & Machinery	-	-
Business/Sales Promotion Expenses	-	-

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

Date: 31st May, 2021
Place: Mumbai

Sd/-
Mukesh R. Gupta
Chairman

LLOYDS STEELS INDUSTRIES LIMITED

ANNEXURE - C

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

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

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

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021 (Audit Period), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021, according to the provisions of:

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

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

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

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

1. *As per Regulation 17(1)(c) of SEBI (LODR) Regulations 2015 and explanation thereof, the Board of Directors of listed entity shall comprise of not less than 6 (Six) Directors w.e.f. 1st April 2020. The company delayed the Appointment of the 6th Director on the Board from 1st April 2020 till 10th September 2020 causing delay of 163 days for which BSE and NSE issued notices imposing fines which were subsequently waived off by BSE fully and partly by NSE based on the company's written representations with reasons provided to the Stock Exchanges.*

I further report that

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

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

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

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

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

- (i) M/s. Shree Global Tradefin Limited, one of the shareholders of the company entered into a Share Purchase Agreement on January 28, 2021 with the promoters of the company namely M/s. Firstindia Infrastructure Private Limited and M/s. Metallurgical Engineering and Equipments Limited holding 32.05% and 14.06% Equity Shares of the Company respectively, to acquire their entire shareholdings constituting 46.11% of the total paid-up capital of the company, which had triggered an open offer to be made by M/s. Shree Global Tradefin Limited to the Shareholders of the Company in accordance with the Act, Rules, Regulations, Guidelines, Standards etc. as may be applicable.

After compliance of all the procedural requirements with respect to the open offer and completion thereof, M/s. Shree Global Tradefin Ltd. has become the largest shareholder of the company having a controlling interest in the capacity of promoters immediately after the audit period.

For H. Maheshwari & Associates Practicing Company Secretary

Sd/-

Hemaantt Maheshwari

Proprietor

ACS. NO. : 26145

CP NO.: 10245

UDIN: A026145C000392918

Date: 31st May, 2021

Place: Mumbai

1. This report is to be read with my letter of even date which is annexed as **APPENDIX - I** and forms an integral part of this report.
2. In the wake of COVID-19 pandemic outbreak, the Company provided books, papers, minute books, registers, forms and returns and other records maintained by it by electronic means for my audit and I could not verify the original documents physically. However, the management of the Company has confirmed that all documents provided by electronic means are true and correct copies of original documents.

LLOYDS STEELS INDUSTRIES LIMITED

APPENDIX - I

To,
The Members
Lloyds Steels Industries Limited

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

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

For H. Maheshwari & Associates
Practicing Company Secretary

Sd/-
Hemaantt Maheshwari
Proprietor
ACS. NO. : 26145
CP NO.: 10245
UDIN: A026145C000392918

Date: 31st May, 2021
Place: Mumbai

ANNEXURE - D

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 2020-21 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21 are as under:

Sr. No	Name of Director/ KMP and Designation	Remuneration of Director/KMP for Financial Year 2020-21 (in ₹)	% increase in Remuneration in the Financial Year 2020-21	Ratio of Remuneration of each Director/ to median remuneration of employees
1.	Mr. Ashok Tandon, Managing Director	94,03,954	Nil	26.58
2.	Mr. P.R. Ravi Ganesan, Chief Financial Officer & Company Secretary	32,75,078	Nil	Not Applicable
3.	Mr. Kalpesh P. Agrawal, Chief Financial Officer	3,83,179	Nil	
4.	Ms. Meenakshi A. Pansari, Company Secretary	92,041	Nil	

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 Committee Meetings.

Mr. P.R. Ravi Ganesan was Chief Financial Officer & Company Secretary only for part of the Financial Year 2020-21 i.e. upto 31st December, 2020.

Mr. Kalpesh P. Agrawal, Chief Financial Officer and Ms. Meenakshi A. Pansari, Company Secretary & Compliance officer were appointed in their respective position w.e.f. 27.01.2021.

- (ii) The median remuneration of employees of the Company during the financial year was ₹ 3,53,773/-
- (iii) In the Financial Year, there was a Decrease of (7.75%) in the median remuneration of Employees due to Decrease in the number of employees from 173 to 157
- (iv) There were 157 permanent employees on the rolls of Company as on 31st March, 2021.
- (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 a Decrease of 21.08% 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.
- (vii) The remuneration for FY 2020-21 is lower than FY 2019-20 in view of the economic conditions impacted by the COVID-19 pandemic.

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	Qualification	Experience (in years)	Last Employment Held	Commencement of Employment	Percentage of equity shares held by the employees
01.	Mr. Shree Krishna Gupta	Executive Vice President	29	1,45,12,517	BMS	6	Lloyds Luxuries Ltd	01.01.2019	N.A
02.	Mr. Ashok Tandon	Managing Director	62	94,03,934	BE(Mech.)	42	Nippon Denro Ispat Ltd.	01.01.1995	NA

LLOYDS STEELS INDUSTRIES LIMITED

Sr. No.	Name	Designation	Age (in years)	Remuneration	Qualification	Experience (in years)	Last Employment Held	Commencement of Employment	Percentage of equity shares held by the employees
03.	Mr. P.R Ravi Ganesan*	Chief Financial Officer & Company Secretary	62	32,75,068	M.Com, ACA, ACS	38	Essar Shipping Ltd	27.06.1995	NA
04.	Mr. Sudhir Kumar Dwivedi*	Sr. Vice President	55	27,45,166	BE(Industrial Engg.)	33	ISGEC Heavy Engineering Ltd	29.07.2020	NA.
05.	Mr. Saiprasad Gangishetti	V.P- Marketing	57	18,42,655	BE, MBA	32	Jindal Steel & Power Machinery Divn.	03.07.2017	NA
06.	Mr. Kalpesh Prakash Agrawal#	Chief Financial Officer	41	17,99,646	B.Com, CA	19	Lloyds Metals and Energy Limited	01.04.2020	NA
07.	Mr. S.V. Nagraj	GM- Projects & Marketing	58	17,58,523	BE (Elec.)	35	NELCO Ltd.,	13.06.1994	NA
08.	Mr. J.S. Malhotra	AGM-Production	53	9,88,396	BE (Mech.)	31	Mukund Ltd.,	12.12.2009	NA
09.	Mr. Mohan N. Mohape	AGM-QA/QC	54	9,78,006	D.M.E (Mech.)	25	Industrial Manufacture	19.02.2007	NA
10.	Mr. Manoj Kumar Kesharwani	G.M – Projects	58	8,96,901	BE (Mech.)	34	Walchand Nagar Inds. Ltd.,	12.11.2012	NA

* Employed for part of the year.

Mr. Kalpesh P. Agrawal has been designated as Chief Financial Officer w.e.f 27.01.2021. Prior to this his Designation was General Manager-F&A.

Notes:

1. Details of Employees who were:

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

Sr. No.	Name	Designation	Age (in years)	Remuneration	Qualification	Experience (in years)	Last Employment Held	Commencement of Employment	Percentage of equity shares held by the employees
01.	Mr. Shree Krishna Gupta	Executive Vice President	29	1,45,12,517	BMS	6	Lloyds Luxuries Ltd	01.01.2019	N.A

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

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. No employee is related to any of the Director of the Company.

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

Date: 31st May, 2021
Place: Mumbai

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

INDEPENDENT AUDITORS REPORT

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

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of Lloyds Steels Industries Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on 31st March, 2021, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 is disclosed in the financial statements. The existence of the payments against these claims requires management judgment to ensure disclosure of most appropriate values of contingent liabilities.

Refer Note 19 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 19.

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

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

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

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness

LLOYDS STEELS INDUSTRIES LIMITED

of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Companies Act, 2013 we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Company has no branch office and hence the company is not required to conduct audit under section 143 (8) of the Act;
 - d. The Balance Sheet, the Statement of Profit and Loss, the Cash flow statement dealt with by this Report are in agreement with the books of account;
 - e. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (As amended);

- f. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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 A". 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 (As amended):
- i. The Company has disclosed the impact of pending claims on its financial position in Note 19 of the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. During the year, no amounts were required to be transferred to the Investor Education and Protection Fund by the Company. So, the question of delay in transferring such sums does not arise.
2. 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 B', a statement on the matters specified in paragraphs 3 and 4 of the Order.

For TODARWAL & TODARWAL LLP

Chartered Accountants
ICAI Firm Reg. no.: W100231

Kunal S. Todarwal
Partner
M.No.: 137804
UDIN: 21137804AAAAFH1646

Dated: 31st May, 2021
Place: Mumbai

Annexure – A to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of M/s Lloyds Steels Industries Limited ("the Company") as of 31st March, 2021 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.

LLOYDS STEELS INDUSTRIES LIMITED

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, 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 Firm Reg. no.: W100231

Kunal S. Todarwal
Partner
M.No.: 137804
UDIN: 21137804AAAAFH1646

Dated: 31st May, 2021
Place: Mumbai

ANNEXURE – B TO THE INDEPENDENT AUDITOR'S REPORT

REPORT ON THE FINANCIAL STATEMENTS OF LLOYDS STEELS INDUSTRIES LIMITED AS ON 31st MARCH, 2021.

- 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.
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 that would have an impact over the financial statements.
 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 Companies Act, 2013.

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 dues to financial institutions and banks.
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, 2013.
12. The Company is not a Nidhi Company as specified in the Nidhi Rules, 2014, 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 Firm Reg. no.: W100231

Kunal S. Todarwal
Partner
M.No.: 137804
UDIN: 21137804AAAAFH1646

Dated: 31st May, 2021
Place: Mumbai

LLOYDS STEELS INDUSTRIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2021

(₹ in Lakhs)

Particulars	Note No.	31 st March, 2021	31 st March, 2020
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	4	922.93	1,006.62
(b) Intangible Assets	5	95.98	95.98
(c) Right To Use	6	385.23	322.45
(d) Financial Assets			
(i) Security Deposits & Others	7	25.98	27.52
(e) Deferred Tax Assets (Net)	9	767.88	808.20
(f) Other Non-current Assets	10 (I)	0.43	2.03
Sub Total Non-Current Assets		2,198.43	2,262.80
Current Assets			
(a) Inventories	11	1,876.54	2,152.80
(b) Financial Assets			
(i) Trade Receivables	12	882.75	2,467.56
(ii) Cash and Cash Equivalent	13	1,828.89	2,160.34
(iii) Loans	8 (I)	2,625.50	800.00
(iv) Other Financial Assets	8 (II)	261.89	277.13
(c) Current Tax Assets (Net)		482.29	474.35
(d) Other Current Assets	10 (II)	4,988.63	5,188.29
Sub Total Current Assets		12,946.49	13,520.47
TOTAL ASSETS		15,144.92	15,783.27
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	8,986.98	8,986.98
(b) Other Equity		2,357.53	2,252.37
Total Equity		11,344.51	11,239.35
LIABILITIES			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Long Term Borrowings	15	56.45	95.00
(b) Provisions	16	363.11	358.12
(c) Other Long Term Financial Liabilities	6	393.97	331.92
Sub Total Non Current Liabilities		813.53	785.04
Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables			
Micro, Small & Medium Enterprises		--	25.54
Other Creditors	17	721.09	1,563.94
(ii) Others	15	338.21	378.72
(b) Provisions	16	51.93	177.88
(c) Other Current Liabilities	18	1,875.65	1,612.80
Sub Total Current Liabilities		2,986.88	3,758.88
Total Liabilities		3,800.41	4,543.92
TOTAL EQUITY AND LIABILITIES		15,144.92	15,783.27

The accompanying notes 1 to 31 form an integral part of these financial statements

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

For and on behalf of the Board of Directors

Sd/-
Kunal S. Todarwal
Partner
Membership No. : 137804
UDIN: 21137804AAAAFH1646
Place : Mumbai
Date : 31st May, 2021

Sd/-
Mukesh R. Gupta
Chairman
DIN : 00028347

Sd/-
Kalpesh P. Agrawal
Chief Financial Officer

Sd/-
Meenakshi A. Pansari
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Lakhs)

Particulars	Note No.	31 st March, 2021	31 st March, 2020
CONTINUING OPERATIONS			
Revenue from Operations	20	7,005.09	11,446.48
Other Income	21	1,309.37	829.87
Total Revenue From Operation		8,314.46	12,276.35
Expenses			
Cost of Raw Material Consumed	22	3,982.30	5,378.86
Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade	23	250.21	145.67
Employee Benefits Expense	24	1,258.33	1,687.00
Manufacturing and Other Expenses	25	2,517.76	4,525.87
Finance Costs	26	76.81	54.46
Depreciation and Amortization Expense	27	159.49	157.20
Total Expenses		8,244.90	11,949.06
Profit before Exceptional Items and Tax		69.56	327.29
Exceptional Items		--	--
Profit Before Tax		69.56	327.29
Tax Expense:			
(1) Current Tax		--	63.03
(2) Deferred Tax		19.19	(77.87)
(3) Deferred Tax Reversals		--	93.08
Total Tax Expenses		19.19	78.24
Profit for the period		50.37	249.05
Other Comprehensive Income			
Items not to be reclassified to profit or loss			
Re-measurement (losses)/gains on defined benefit plans		75.91	50.33
Income Tax Credit/ (expenses)		(21.12)	(14.00)
Other Comprehensive Income for the year		54.79	36.33
Total Comprehensive (loss) / gain for the year		105.16	285.38
Earnings per share (In ₹) (Face value ₹ 1/- each)			
Basic and Diluted (In ₹)	28	0.01	0.03

The accompanying notes 1 to 31 form an integral part of these financial statements

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Company Secretary

LLOYDS STEELS INDUSTRIES LIMITED

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Lakhs)

Particulars	Share Capital		Other equity - Reserves and Surplus			Total Equity
	No. of Shares	Amount	Capital Reserve	Retained Earnings	Total	
As at 1st April, 2019	89,86,98,382	8,986.98	5.00	1,962.00	1,967.00	10,953.98
Profit for the year	--	--	--	249.05	249.05	249.05
Other Comprehensive Income (Net of Tax)	--	--	--	36.32	36.32	36.32
As at 31st March, 2020	89,86,98,382	8,986.98	5.00	2,247.37	2,252.37	11,239.35
Profit for the year	--	--	--	50.37	50.37	50.37
Other Comprehensive Income (Net of Tax)	--	--	--	54.79	54.79	54.79
As at 31st March, 2021	89,86,98,382	8,986.98	5.00	2,352.53	2,357.53	11,344.51

The accompanying notes 1 to 31 form an integral part of these financial statements

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

For and on behalf of the Board of Directors

Sd/-
Kunal S. Todarwal
Partner
Membership No. : 137804
UDIN: 21137804AAAAFH1646
Place : Mumbai
Date : 31st May, 2021

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Mukesh R. Gupta
Chairman
DIN : 00028347

Sd/-
Kalpesh P. Agrawal
Chief Financial Officer

Sd/-
Meenakshi A. Pansari
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Lakhs)

Sr. No.	Particulars	31 st March, 2021	31 st March, 2020
A	CASH FLOW FROM OPERATING ACTIVITIES :		
	Profit Before Tax	69.56	327.29
	Adjustments For:		
	Depreciation and Amortization Expenses	97.38	107.59
	Loss on sale of Property, Plant & Equipment (Net)	-	1.87
	Re-measurements of the defined benefit liabilities / asset (before tax effects)	75.91	50.33
	Interest Income	(167.45)	(93.88)
	Interest Expenses	10.48	13.80
	Unrealized Exchange (Gain) / Loss (Net)	6.57	10.44
	Operating Profit/(Loss) Before Working Capital Changes	92.45	417.44
	Movements in Working Capital		
	Decrease / (Increase) in Inventories	276.26	1,233.51
	Decrease / (Increase) in Trade Receivables	1,584.81	6,862.58
	Decrease / (Increase) in Other Current Assets	199.66	13,747.38
	Decrease / (Increase) in Other Non-Current Assets	1.60	2.31
	Decrease / (Increase) Other Financial Assets – Non Current Portion	1.54	(17.60)
	Decrease / (Increase) Other Financial Assets – Current Portion	19.74	230.51
	Decrease / (Increase) Other Bank Balances	378.120	355.71
	Increase / (Decrease) in Trade Payables	(872.76)	(1,964.87)
	Increase / (Decrease) in Other Current Liabilities	260.66	(21,821.99)
	Increase / (Decrease) Provision, Current Portion	(125.95)	89.84
	Increase / (Decrease) Provision, Non-Current Portion	4.99	(99.13)
	Increase / (Decrease) Other Financial Liabilities, Current Portion	(58.39)	176.51
	Increase / (Decrease) Other Financial Liabilities, Non-Current Portion	(0.73)	9.47
	Cash Generated From /(Used In) Operation	1,762.00	(778.37)
	Direct Taxes (Paid) / Net of Refunds	(7.94)	(123.05)
	Net Cash Generated From /(Used In) Operating Activities (A)	1,754.06	(901.42)
B	CASH FLOW FROM INVESTING ACTIVITIES :		
	Payment towards capital expenditure (including Intangible Assets)	(13.69)	(68.36)
	Proceeds from Sale of Property, Plant & Equipment	--	10.39
	Inter Corporate Deposits (Given) Refunded	(1,825.50)	1,107.70
	Interest Received	162.95	155.00
	Net Cash Generated From /(Used In) Investing Activities (B)	(1,676.24)	1,204.73

LLOYDS STEELS INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

(₹ in Lakhs)

Sr. No.	Particulars	31 st March, 2021	31 st March, 2020
C	CASH FLOW FROM FINANCING ACTIVITIES :		
	Repayment of Long Term Borrowings	(20.52)	(31.89)
	Proceeds from Long Term Borrowings	-	20.60
	Interest Paid	(10.63)	(13.03)
	Net Cash Generated From /(Used In) Financing Activities (C)	(31.15)	(24.32)
	Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)	46.67	278.99
	Cash and Cash Equivalents at the Beginning of the Period	422.81	143.82
	Cash and Cash Equivalents at the End of the Period	469.48	422.81
	Net increase/(decrease) in cash and cash equivalents	46.67	278.99
	Components of Cash and Cash Equivalents		
	Cash in Hand	4.27	5.91
	Balance with Bank		
	Balance with Schedule Banks in : Current Accounts	465.21	416.90
	In Margin Account (Including FDR)	1,359.41	1,737.53
	Cash and Bank balances as per Note 13	1,828.89	2,160.34
	Less: Margin Money not considered as Cash and Cash Equivalent in Cash Flow	1,359.41	1,737.53
	Total Cash and Cash Equivalents	469.48	422.81

The accompanying notes 1 to 31 form an integral part of these financial statements.

Notes :

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

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

For and on behalf of the Board of Directors

Sd/-
Kunal S. Todarwal
Partner
Membership No. : 137804
UDIN: 21137804AAAAFH1646
Place : Mumbai
Date : 31st May, 2021

Sd/-
Mukesh R. Gupta
Chairman
DIN : 00028347

Sd/-
Kalpesh P. Agrawal
Chief Financial Officer

Sd/-
Meenakshi A. Pansari
Company Secretary

Notes to Financial Statements

(All amounts are in Lakhs of Indian ₹; 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 along with the other notes required to be disclosed under the notified Indian Accounting Standards and the equity listing agreement. Amounts in the financial statement are presented in Indian rupees in Lakhs.

The financial statements are authorized for issue by the Company's Board of Directors at their meeting held on **31st May, 2021**.

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

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

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

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

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

2.2 Basis of measurement

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

Fair value measurement

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

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

2.3 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.

LLOYDS STEELS INDUSTRIES LIMITED

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-recognised before transition date are not re-recognised 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 recognised in the statement of profit and loss within finance costs / finance income. Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevalent, at the date of initial recognition (in case they are measured at historical cost) or at the date when the fair value is determined (in case they are measured at fair value). The resulting foreign exchange difference, on subsequent re-statement / settlement is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity.

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

2.5 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 realisation of receivables (including retention monies) within the agreed credit period as the case may be. An asset is classified as current when it is expected to be realised or intended to be sold or consumed in normal operating

cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

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

2.6 Property, Plant and Equipment ('PPE')

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

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

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

Depreciation on PPE is computed using the straightline method over the estimated useful lives. Depreciation is provided as per useful life of the assets as prescribed in schedule II of the Companies Act. 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 derecognised from the balance sheet and the resulting gains/ (losses) are included in the statement of profit and loss within Other Income.

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

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

2.7 Intangible Assets

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

2.8 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 recognised in statement of profit and loss.

Reversal of Impairment Losses

Impairment losses are reversed and the carrying value is increased to its revised recoverable amount provided that this amount does not exceed the carrying value that

would have been determined had no impairment loss been recognised for the said asset in previous years.

2.9 Leases:

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

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

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases are charged to Statement of profit and loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

In March 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2019, notifying Ind AS 116 - 'Leases'. This standard is effective from 1st April, 2019. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Ind AS 116 - Leases amends the rules for the lessee's accounting treatment of operating leases. According to the standard all operating leases (with a few exceptions) must therefore be recognized in the balance sheet as lease assets and corresponding lease liabilities. The lease expenses, which were recognised as a single amount (operating expenses), will consist of two elements: depreciation and interest expenses. The standard has become effective from 2019 and the Company has assessed the impact of application of Ind AS 116 on Company's financial statements and provided necessary treatments and disclosures as required by the standard. (Refer Note No 6).

2.10 Financial Instruments

a. Recognition, Classification and Presentation

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

LLOYDS STEELS INDUSTRIES LIMITED

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

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

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

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

b. Measurement of Financial Instruments

I. Initial Measurement

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

II. Subsequent Measurement - Financial Assets

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

i. Financial Assets Measured at Amortised Cost

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

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

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, the same are measured at fair value through

other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

iii. Fair Value through Profit or Loss

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

Impairment

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

III Subsequent Measurement - Financial Liabilities

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

c. Derecognition

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

2.11 Taxes

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

a. Current Tax

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

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

b. Deferred Tax

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

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

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

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

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

2.12 Inventories

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

estimated costs of completion and the estimated variable costs necessary to make the sale.

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

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

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

2.13 Cash and Cash Equivalents

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

2.14 Share Capital

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

2.15 Employee Benefits

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

a. Short Term Employee Benefits

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

b. Post Employment Benefits - Gratuity

The Company operates one defined benefit plan, viz., gratuity benefit, for its employees. The Gratuity plan provides for a lump sum payment to vested employees at

LLOYDS STEELS INDUSTRIES LIMITED

retirement, death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service. The company does not have any fund for gratuity liability and the same is accounted for as provision.

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

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

The interest expense is calculated by applying the above mentioned discount rate to the defined benefit obligations liability. The interest expense on the defined benefit liability is recognised in the statement of profit and loss. However, the related re-measurements of the defined benefit liability is recognised directly in the other comprehensive income in the period in which it arises. The said re-measurements comprise of actuarial gains and losses (arising from experience adjustments and changes in actuarial assumptions). Re-measurements are not re-classified to the statement of profit and loss in any of the subsequent periods.

c. Other Employee Benefits – Leave Encashment

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

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

2.16 Provisions

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

2.17 Amortisation of Expenses

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

2.18 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.

2.19 Revenue Recognition

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

a. Revenue From Operations

i. Sale of Goods

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

ii. Rendering of Services

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

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

b. Other Revenue

1) Customs Duty

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

2) Interest Income

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

3) Other Income/Miscellaneous Income

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

2.20 Borrowing Costs

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

2.21 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.

2.22 Statement of Cash Flows

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

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

4. Property, Plant and Equipment (PPE)

The following table presents the reconciliation of changes in the carrying value of PPE.

(₹ in Lakhs)

Sr. No	Class of Assets	Gross Block				Depreciation				Net Block	
		01.04.2020	Additions	Disposals	31.03.2021	01.04.2020	For the year	Disposals	31.03.2021	31.03.2021	31.03.2020
1	Land	146.66	--	--	146.66	--	--	--	--	146.66	146.66
2	Building	812.39	--	--	812.39	532.46	20.29	--	552.75	259.63	279.93
3	Plant & Machinery	3,286.45	4.34	--	3,290.79	2,981.24	23.12	--	3,004.36	286.43	305.21
4	Computers	178.79	3.97	--	182.76	169.91	2.00	--	171.91	10.85	8.88
5	Electrical Installations	146.93	--	--	146.93	130.33	4.90	--	135.23	11.70	16.60
6	Office Equipments & AC	85.63	3.66	--	89.29	79.53	1.04	--	80.57	8.72	6.10
7	Furniture & Fixtures	254.49	1.72	--	256.21	174.11	21.65	--	195.76	60.46	80.38
8	Motor Vehicles	273.48	--	--	273.48	110.62	24.38	--	135.00	138.48	162.86
	Total	5,184.82	13.69	--	5,198.51	4,178.20	97.38	--	4,275.58	922.93	1,006.62
	Previous Year Figures	5,218.98	68.36	102.52	5,184.82	4,160.87	107.59	90.26	4,178.20	1,006.62	1,058.11

5. Intangible Assets

The following table presents the reconciliation of changes in the carrying value of PPE.

(₹ in Lakhs)

Sr. No	Class of Assets	Gross Block				Depreciation				Net Block	
		01.04.2020	Additions	Disposals	31.03.2021	01.04.2020	For the year	Disposals	31.03.2021	31.03.2021	31.03.2020
1	Goodwill	95.98	--	--	95.98	--	--	--	--	95.98	95.98
	Total	95.98	--	--	95.98	--	--	--	--	95.98	95.98
	Previous Year Figures	95.98	--	--	95.98	--	--	--	--	95.98	95.98

LLOYDS STEELS INDUSTRIES LIMITED

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

The Right To Use value disclosed is as per Ind AS 116 (Lease Impact). The impact of Ind AS 116 on the Company's financial statements at 31st March, 2021 is as follows:

Balance sheet: The adoption of Ind AS 116 has resulted in an increase in the total assets of ₹ 387.66 Lakhs (Previous Year ₹ 325.09 Lakhs) split between right-to-use assets of ₹ 385.23 Lakhs (Previous Year ₹ 322.45 Lakhs) and deferred tax assets of ₹ 2.43 Lakhs (Previous Year ₹ 2.64 Lakhs). Financial liability has increase by ₹ 393.97 Lakhs (Previous Year ₹ 331.92 Lakhs).

Statement of Profit and Loss: The adoption of Ind AS 116 has resulted in increased depreciation of ₹ 62.11 Lakhs (Previous Year ₹ 49.61 Lakhs) from the right-to-use assets and increased the finance costs by ₹ 33.00 Lakhs (Previous Year ₹ 22.23 Lakhs) for the year due to the interest recognised on lease liabilities. These have reduced the operating lease expenses by ₹ 80.20 Lakhs (Previous Year ₹ 62.37 Lakhs) for the year, resulting in an overall net reduction of profit before taxes of ₹ 14.91 Lakhs (Previous Year ₹ 9.47 Lakhs).

7. Security Deposit & Others (Non Current)

(₹ in Lakhs)

Particulars	31 st March, 2021	31 st March, 2020
Non-current		
Security Deposits, Considered Good	25.98	27.52
Total	25.98	27.52

8. Loan & Other Current Financial Assets

(₹ in Lakhs)

Particulars	31 st March, 2021	31 st March, 2020
8 (i) Loan		
- Loans to Others, Considered Good - Unsecured	2,625.50	800.00
Sub – Total	2,625.50	800.00
8 (ii) Other Current Financial Asset		
- Security Deposits, Considered Good	16.36	0.08
- Tax Recoverable	139.29	124.13
- Interest Receivable	106.24	152.92
Sub – Total	261.89	277.13
Total (i+ii)	2,887.39	1,077.13

9. Income Taxes

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

(₹ in Lakhs)

Particulars	31 st March, 2021	31 st March, 2020
Opening balance	808.20	901.28
MAT Credit of earlier years	-	(63.03)
Tax (Expense)/ Income Recognised in statement of Profit and Loss	(19.20)	(16.05)
Tax Income/ (Expense) Recognised in OCI	(21.12)	(14.00)
Closing Balance	767.88	808.20

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

10. Other Non-Financial Assets

(₹ in Lakhs)

Particulars	31 st March, 2021	31 st March, 2020
10 (I) Other Non-current Asset		
Prepaid Expenses	0.43	2.03
Total	0.43	2.03
10 (II) Other Current Asset		
Prepaid Expenses	10.33	15.04
Advance to Suppliers	4,978.30	5,173.25
Total	4,988.63	5,188.29

11. Inventories

(₹ in Lakhs)

Particulars	31 st March, 2021	31 st March, 2020
Raw Materials	433.91	341.50
Work-in-Progress	1,128.63	1,380.12
Stores and Spares	310.79	429.25
Scrap & By-Products	3.21	1.93
Total	1,876.54	2,152.80

12. Trade Receivables

(₹ in Lakhs)

Particulars	31 st March, 2021	31 st March, 2020
Unsecured		
Considered Good	882.75	2,467.56
Considered Doubtful	--	--
Total	882.75	2,467.56
Less: Provision for Doubtful Receivables	--	--
Total Receivables	882.75	2,467.56

13. Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	31 st March, 2021	31 st March, 2020
Balances with Banks		
On Current Accounts	465.21	191.90
Bank Deposits with original maturity of three months or less	-	225.00
Cash in Hand	4.27	5.91
Other Bank Balance		
Margin Money Deposit	1,359.41	1,737.53
Total	1,828.89	2,160.34

LLOYDS STEELS INDUSTRIES LIMITED

14. Equity Share Capital

(₹ in Lakhs)

Particulars	31 st March, 2021	31 st March, 2020
Authorized Share Capital		
90,00,00,000 Equity Shares of ₹ 1/- each	9,000.00	9,000.00
Issued, Subscribed and Fully Paid-up Shares		
89,86,98,382 Equity Shares of ₹ 1/- each	8,986.98	8,986.98
Total	8,986.98	8,986.98

i. Terms and Rights attached to Equity Shares.

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

ii. Details of Shareholders Holding more than 1% shares in the company

Name of Shareholders	31 st March, 2021		31 st March, 2020	
	(Nos.)	(% holding)	(Nos.)	(% holding)
FirstIndia Infrastructure Private Limited (Formerly known as Ultimate Logistics solutions Pvt. Ltd.)	28,80,73,478	32.05%	28,80,73,478	32.05%
Metallurgical Engineering and Equipments Limited	12,63,67,638	14.06%	12,63,67,638	14.06%
Shree Global Tradefin Ltd	5,22,64,626	5.82%	9,44,92,624	10.52%
Sunil Bhagwatlal Dalal	3,88,28,000	4.32%	-	-
Vistra ITCL India Limited	1,84,40,283	2.05%	3,94,71,661	4.39%
Ragini Trading & Investment Limited	96,86,386	1.08%	96,86,386	1.08%

iii Shree Global Tradefin Limited entered into a Share Purchase Agreement (“SPA”) on 28th January, 2021 with the erstwhile Promoters/Promoter Group of Lloyds Steels Industries Limited (Company/Target Company) i.e. Metallurgical Engineering and Equipments Limited and First India Infrastructure Private Limited to acquire the Equity Shares collectively held by them in the Company i.e. 41,44,41,116 Equity Shares of ₹ 1 each representing 46.11% of the Equity Share Capital/Voting Capital of the Company. Pursuant to the said Share Purchase Agreement which triggered the open offer requirement as per SEBI (SAST Regulations), 2011, the Shree Global Tradefin Limited made an Offer in terms of Regulation 3(1) and 4 of the said Regulations to acquire upto 23,30,61,600 Equity Shares of ₹ 1 each, representing 206 of the Equity Share Capital/Voting Capital of the Target Company (“Offer Size”) at a price of ₹ 1 (Rupee One only) per Equity Share (“Offer Price”), payable in cash, to the Public Shareholders of the Target Company. Shree Global Tradefin Limited has completed the Open Offer formalities as Certified by Manager to the Open Offer, Mark Corporate Advisory Private Limited vide letter dated 18th May, 2021.

iv Pursuant to the said acquisition of 41,44,41,116 Equity Shares (46.12%) of the Company from the exiting Promoter/Promoters/Promoter Group of the Company, Shree Global Tradefin Limited has become the “Holding Company” of Lloyds Steels Industries Limited w.e.f. 21st May 2021.

15. Financial Liabilities – Others

(₹ in Lakhs)

Particulars	31 st March, 2021	31 st March, 2020
Non-current		
Long Term Borrowings		
Secured		
Vehicle Loans from Banks	56.45	95.00
Total	56.45	95.00

ANNUAL REPORT 2020-21

Particulars	31 st March, 2021	31 st March, 2020
Current		
Others		
Secured		
- Short Term Maturity of Long Term Borrowing	30.18	12.15
- Interest Accrued but Not Due	0.62	0.77
Unsecured		
- Employees Payable	176.81	81.04
- Taxes Payable	38.35	77.86
- Provision For Expenses	92.25	206.90
Total	338.21	378.72

16. Provisions

(₹ in Lakhs)

Particulars	31 st March, 2021	31 st March, 2020
Gratuity	363.15	457.69
Compensated Absence	51.89	78.31
Total	415.04	536.00
Non-current – Provisions	363.11	358.12
Current – Provisions	51.93	177.88

Refer Note 24 for movement of provision towards employee benefits.

17. Trade Payables

(₹ in Lakhs)

Particulars	31 st March, 2021	31 st March, 2020
Micro, Small and Medium Enterprises	-	25.54
Due to Others	721.09	1,563.94
Total	721.09	1,589.48

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.

18. Other Non-Financial Liabilities

(₹ in Lakhs)

Particulars	31 st March, 2021	31 st March, 2020
Current		
Advances from Customers	1,875.65	1,612.80
Total	1,875.65	1,612.80

19. Contingent Liabilities & Commitments

(₹ in Lakhs)

Particulars	31 st March, 2021	31 st March, 2020
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	1,348.34	1,736.96

LLOYDS STEELS INDUSTRIES LIMITED

20. Revenue from Operations

(₹ in Lakhs)

Particulars	For the year ended	
	31 st March, 2021	31 st March, 2020
Sale of Products		
Finished Goods	6,936.66	10,533.93
Traded Goods	--	--
Other Operating Revenue		
Sale of Scrap & By Products	30.27	16.29
Job Work Charges	38.16	896.26
Total	7,005.09	11,446.48

21. Other Income

(₹ in Lakhs)

Particulars	For the year ended	
	31 st March, 2021	31 st March, 2020
Interest Income		
On Bank Deposits	107.45	126.28
From others	579.23	687.22
Other Non – Operating Income		
Miscellaneous Income	8.25	2.91
Gain on Termination – Lease Ind AS 116	15.65	--
Liabilities no longer required, Written Back (net)	598.79	11.67
Net Gain/(Loss) on Foreign Currency Transaction	-	1.79
Total	1,309.37	829.87

22. Cost of Raw Materials Consumed

(₹ in Lakhs)

Particulars	For the year ended	
	31 st March, 2021	31 st March, 2020
Cost of Raw Materials Consumed		
Iron & Steel, etc.	3,982.30	5,378.86
Total	3,982.30	5,378.86

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

(₹ in Lakhs)

Particulars	For the year ended	
	31 st March, 2021	31 st March, 2020
Inventories at the end of the year		
Work-in-Progress	1,128.63	1,380.12
Scrap	3.21	1.93
Total	1,131.84	1,382.05
Inventories at the beginning of the year		
Work-in-Progress	1,380.12	1,526.01
Scrap	1.93	1.71
Total	1,382.05	1,527.72
Total (Increase) / Decrease in Inventories	250.21	145.67

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

(₹ in Lakhs)

Particulars	For the year ended	
	31 st March, 2021	31 st March, 2020
Salaries, Wages and Bonus	1,018.92	1,386.70
Contribution to Provident and Other Fund	60.99	79.50
Gratuity & Leave Encashment Expenses	77.60	88.96
Staff Welfare /Workmen Expenses	12.31	20.09
Managerial Remuneration	88.51	111.75
Total	1,258.33	1,687.00

Defined Benefit Plan

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

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

The details of defined benefit obligations are as follows:

(₹ in Lakhs)

Particulars	31 st March, 2021		31 st March, 2020	
	Gratuity	Compensated absence	Gratuity	Compensated absence
Obligation:				
Balance as at beginning of the year	457.69	78.31	457.20	88.09
Current service cost	24.96	14.54	26.94	18.42
Interest cost	31.12	5.32	31.09	5.99
Liability Transfer	3.01	1.55	-	-
Benefits paid	(99.56)	(25.99)	(33.56)	(7.84)
Re-measurements	(54.07)	(21.84)	(23.98)	(26.35)
Present value of Defined benefit obligation	363.15	51.89	457.69	78.31
Current portion	46.23	5.70	152.95	24.93
Non-current portion	316.92	46.19	304.74	53.38

Amount recognized in Other Comprehensive Income

(₹ in Lakhs)

Particulars	For the year ended	
	31 st March, 2021	31 st March, 2020
Re-measurements	(75.91)	(50.33)
Total	(75.91)	(50.33)

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.

LLOYDS STEELS INDUSTRIES LIMITED

Existing assumptions

Particulars	31 st March, 2021	31 st March, 2020
Discount Rate	6.80%	6.80%
Rate of Salary Increase		
For First Year	3.00%	0.00%
For Second Year	8.00%	3.00%
Thereafter	8.00%	8.00%
Withdrawal Rate	1.00%	1.00%
Mortality Rate	Indian Assured Lives (2012- 14)	Indian Assured Lives (2012-14)
Retirement Age	62 Years	62 Years

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

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

(₹ in Lakhs)

Particulars	Change in Assumption	31 st March, 2021		31 st March, 2020	
		Gratuity	Compensated Absence	Gratuity	Compensated Absence
Discount Rate	+1%	335.50	47.48	431.23	73.32
	-1%	394.80	57.05	488.05	84.12
Salary Growth Rate	+1%	394.12	56.94	487.39	84.00
	-1%	335.54	47.48	431.27	73.32

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:

(₹ in Lakhs)

Particulars	31 st March, 2021	31 st March, 2020
Within one year	46.23	152.95
Within one - three years	46.73	67.62
Within three - five years	24.18	16.80
Above five years	246.01	220.32
Weighted average duration (in years)	8.47 years	7.35 years

25. Manufacturing and Other Expenses

(₹ in Lakhs)

Particulars	For the year ended	
	31 st March, 2021	31 st March, 2020
Consumption of Stores and Spare Parts	251.16	1,470.40
Power Charges	46.04	79.38
Fuel & Gases Charges	10.60	21.22
Freight and Forwarding Charges (net)	362.20	482.44
Other Expenses of Production	102.50	162.57
Engineering and Processing Charges	607.91	1,432.89
Rent	6.90	38.80
Rates and Taxes	12.27	13.52
Insurance	10.15	6.92
Repairs and Maintenance:		
Plant and Machinery	--	0.78
Buildings	--	--
Others	135.07	39.11
Other Selling Expenses	14.09	33.10
Commission and Brokerage	7.19	1.33
Legal & Professional Charges	141.90	335.79
Directors' Sitting Fees	2.72	1.64
Payment to Auditor (Refer details below)	2.00	2.00
Loss on Sale of Fixed Assets (net)	--	1.87
Net Gain / Loss on Foreign Currency Transaction	19.90	--
Travelling & Conveyance Expenses	52.44	105.98
Miscellaneous Expenses	732.72	296.13
Total	2,517.76	4,525.87

Payments to Auditor

(₹ in Lakhs)

Particulars	For the year ended	
	31 st March, 2021	31 st March, 2020
As Auditor:		
Audit Fees	1.50	1.50
Tax Audit Fees	0.50	0.50
In other capacity:		
Certification Charges	--	--
Total	2.00	2.00

LLOYDS STEELS INDUSTRIES LIMITED

26. Finance Costs

(₹ in Lakhs)

Particulars	For the year ended	
	31 st March, 2021	31 st March, 2020
Interest on Vehicle loan / Others	32.48	13.80
Interest on Right to Use (Ind AS 116) (Refer Note 6)	33.00	22.23
Other Borrowing Costs		
Bank & Finance Processing Charges	11.33	18.43
Total	76.81	54.46

27. Depreciation and Amortization Expense

(₹ in Lakhs)

Particulars	For the year ended	
	31 st March, 2021	31 st March, 2020
Depreciation on Tangible Assets (Refer Note 4)	97.38	107.59
Depreciation on Right to Use – AS 116 (Refer Note 6)	62.11	49.61
Total	159.49	157.20

28. Earnings Per Share ('EPS')

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

Particulars	For the year ended	
	31 st March, 2021	31 st March, 2020
Weighted Average Shares outstanding for basic / diluted EPS	89,86,98,382	89,86,98,382
Profit for the Year (₹ in lakhs)	50.37	249.05
EPS (in ₹)	0.01	0.03

29. Segment Reporting as per IND-AS – 108.

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

30. 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:

(₹ in Lakhs)

Particulars	For the year ended	
	31 st March, 2021	31 st March, 2020
Short-Term Employee Benefits	94.04	119.15
Post-Employment Benefit	33.43	74.43
Total	127.47	193.58

31. Financial and Capital Risk

A. Financial Risk

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

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

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

i) Foreign Currency Risk

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

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

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

Particulars	Foreign Currency			
	USD	Euro	GBP	Yen
Current Year				
Trade Payables – in Foreign Currency (full figures)	15,690.40	36,619.91	--	--
Trade Payables – ₹ in Lakhs	11.53	31.53	--	--
Advance to Supplier – in Foreign Currency (full figures)	--	--	701.07	--
Advance to Supplier – ₹ in Lakhs	--	--	0.71	--
Advance From Customer - in Foreign Currency (full figures)	2,02,080.00	--	--	--
Advance From Customer – ₹ in Lakhs	148.54	--	--	--
Previous Year				
Trade Payables – in Foreign Currency (full figures)	15,690.40	1,03,135.86	--	1,15,54,587.00
Trade Payables – ₹ in Lakhs	11.83	85.65	--	80.48
Advance to Supplier – in Foreign Currency (full figures)				
Advance to Supplier – ₹ in Lakhs				
Advance From Customer - in Foreign Currency (full figures)	--	--	--	--
Advance From Customer – ₹ 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.

LLOYDS STEELS INDUSTRIES LIMITED

i) Foreign Currency Sensitivity

(₹ in Lakhs)

Particulars	Change in Currency Exchange Rate	Effect on Loss/(Profit) Before Tax	Effect on Equity (OCI)
For the year ended 31st March, 2021			
Euro	+5%	1.58	--
	-5%	(1.58)	--
Others	+5%	7.97	--
	-5%	(7.97)	--
For the year ended 31st March, 2020			
Euro	+5%	4.28	--
	-5%	(4.28)	--
Others	+5%	4.62	--
	-5%	(4.62)	--

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

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

ii) Price Risk

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

iii) Credit Risk

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

Trade Receivables

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

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

(₹ in Lakhs)

Particulars	Less than six months	More than six months
Trade Receivables as at 31st March, 2021	548.66	334.09
Trade Receivables as at 31 st March, 2020	2,012.78	454.78

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 recognised in profit and loss.

iv) Liquidity Risk

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

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

ANNUAL REPORT 2020-21

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

(₹ in Lakhs)

Particulars	As at 31 st March, 2021	
	Less than one year	More than one year
Trade Payables	721.09	--
Other Financial Liabilities	338.21	--
Total Financial Liabilities	1,059.30	--

Particulars	As at 31 st March, 2020	
	Less than one year	More than one year
Trade Payables	1,589.48	--
Other Financial Liabilities	378.72	--
Total Financial Liabilities	1,968.20	--

B. Capital Risk

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

Fair Value of Financial Assets and Liabilities

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

(₹ in Lakhs)

Particulars	Carrying Value as of		Fair Value as of	
	31 st March, 2021	31 st March, 2020	31 st March, 2021	31 st March, 2020
Financial Assets				
FVTPL	-	-	-	-
Amortized cost				
Trade Receivables	882.75	2,467.56	882.75	2,467.56
Cash and Cash Equivalents	1,828.89	2,160.34	1,828.89	2,160.34
Loans	2,625.50	800.00	2,625.50	800.00
Other Financial Assets	261.89	277.13	261.89	277.13
Total	5,599.03	5,705.03	5,599.03	5,705.03
Financial Liabilities				
FVTPL	-	-	-	-
Amortized Cost				
Trade Payables	721.09	1,589.48	721.09	1,589.48
Other Financial Liabilities	338.21	378.72	338.21	378.72
Total	1,059.30	1,968.20	1,059.30	1,968.20

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

For and on behalf of the Board of Directors

Sd/-
Kunal S. Todarwal
 Partner
 Membership No. : 137804
 UDIN: 21137804AAAAFH1646
 Place : Mumbai
 Date : 31st May, 2021

Sd/-
Mukesh R. Gupta
 Chairman
 DIN : 00028347

Sd/-
Kalpesh P. Agrawal
 Chief Financial Officer

Sd/-
Meenakshi A. Pansari
 Company Secretary

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.

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