



## Lloyds Metals and Energy Limited

Regd. Office: Plot No. A 1-2, MIDC Area, Ghugus, Dist. Chandrapur - 442 505, Maharashtra. Tel. 07172 285099 /103/398 Fax: 07172 285003.  
Corporate Office : Trade World, "C" Wing, 16<sup>th</sup> Floor, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013. Tel. No. : 3041 8111. Fax No. 30418260  
CIN : L40300MH1977PLC019594 Website : www.lloyds.in

LMEL/SEC/2017/BSE/30

03<sup>rd</sup> October, 2017

To,  
**BSE Limited**  
Corporate Services Department  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001

**BSE Scrip Code: 512455**

**Sub: Submission of Annual Report for the financial year 2016-2017**

Dear Sir/Madam,

Pursuant to Regulation 34 of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, please find enclosed herewith the Annual Report of the Company for the financial year 2016-2017 which is approved and adopted by the members in 40<sup>th</sup> Annual General Meeting of the Company held on Tuesday, 19<sup>th</sup> September, 2017 at 12.30 p.m. at Registered office of the Company.

Kindly take note of the same and acknowledge receipt.

Thanking you,  
Yours faithfully,  
For Lloyds Metals and Energy Limited

  
(Nitesh Tanwar)  
Company Secretary  
M. No. ACS-28498





**Lloyds Metals and Energy Limited**



**40<sup>th</sup> Annual Report**  
**2016 - 17**



# LLOYDS METALS AND ENERGY LIMITED

## Lloyds Metals and Energy Limited

CIN: L40300MH1977PLC019594

### Corporate Information

#### BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNAL

Mr. Mukesh R. Gupta (DIN:00028347)	<i>Chairman</i>
Mr. Babulal Agarwal (DIN:00029389)	<i>Managing Director</i>
Mr. Rajesh R. Gupta (DIN:00028379)	<i>Non-Executive Director</i>
Mr. Shantanu Mohapatra (DIN:00176836)	<i>Independent Director</i>
Mr. Devidas Kambale (DIN:01569430)	<i>Independent Director</i>
Mr. Jagannath Dange (DIN:00020656)	<i>Independent Director</i>
Mrs. Bhagyam Ramani (DIN:00107097)	<i>Independent Director</i>
Dr. B. R. Singh (DIN:02843001)	<i>Independent Director</i>

#### Chief Financial Officer

Mr. Riyaz Shaikh

#### Statutory Auditor

M/s Todarwal & Todarwal  
12, Maker Bhavan No. 03,  
1<sup>st</sup> Floor, 21, New Marine Lines,  
Mumbai- 400020, Maharashtra

#### Secretarial Auditor

M/s K.C. Nevatia & Associates  
J-2, Jolly Highrise Apartments,  
10<sup>th</sup> Floor, 241-A, Pali Mala  
Road, Bandra (West),  
Mumbai – 400050, Maharashtra

#### Company Secretary

Mr. Nitesh Tanwar

#### Cost Auditor

M/s Manisha & Associates  
238, Shri Ram Shyam Towers,  
2<sup>nd</sup> Floor, Near N.I.T. Sadar,  
Nagpur– 440001, Maharashtra

#### Internal Auditor

RSM Astute Consulting Pvt. Ltd.  
3<sup>rd</sup> Floor, A- Wing, Technopolis  
Knowledge Park, Mahakali Caves  
Road, Andheri (East),  
Mumbai-400093 Maharashtra.

#### CORPORATE IDENTIFICATION NUMBER

L40300MH1977PLC019594

#### BANKERS

Bank of India

Union Bank of India

Punjab and Maharashtra Co-operative Bank Ltd.

Kotak Mahindra Bank Ltd.

#### REGISTERED OFFICE & WORKS

##### SPONGE IRON & POWER PLANT

Plot No. A 1-2, MIDC Area, Ghugus,  
Dist. Chandrapur – 442 505,  
Maharashtra

#### CORPORATE OFFICE

Trade World, 'C' Wing, 16<sup>th</sup> Floor,  
Kamala City, Senapati Bapat Marg,  
Lower Parel (West), Mumbai – 400 013.  
Tel : 022 – 3041 8111  
E-Mail: [investor@lloyds.in](mailto:investor@lloyds.in)

#### REGISTRAR & SHARE TRANSFER AGENT

##### BIGSHARE SERVICES PRIVATE LIMITED

1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant  
Oasis, Makwana Road, Marol, Andheri (E),  
Mumbai - 400059,  
Phone : 022 - 4043 0200  
Fax : 022 - 2847 5207  
E-Mail : [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

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### 40<sup>th</sup> Annual General Meeting

Date : 19<sup>th</sup> September, 2017 Time : 12.30 P.M.

#### Venue

Registered Office :  
Plot No. A 1-2, MIDC Area, Ghugus,  
Dist. Chandrapur – 442 505,  
Maharashtra

## NOTICE

**NOTICE** is hereby given that the 40<sup>th</sup> Annual General Meeting (“AGM”) of the Members of the **Lloyds Metals and Energy Limited (CIN: L40300MH1977PLC019594)** will be held on **Tuesday, 19<sup>th</sup> September, 2017 at 12.30 p.m.** at the Registered Office of the Company at Plot No. A 1-2, MIDC Area, Ghugus, Dist. Chandrapur- 442 505, Maharashtra, to transact the following business:

### ORDINARY BUSINESS:

- To receive, consider and adopt the Standalone Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2017, including the Audited Balance Sheet as at 31<sup>st</sup> March, 2017 and the Statement of Profit and Loss of the Company for the year ended on that date, along with the reports of the Board of Directors and Auditors thereon.
- To appoint a Director in place of Mr. Mukesh R. Gupta (**DIN: 00028347**), who retires by rotation and being eligible offers himself for re-appointment.
- To appoint M/s. VSS & Associates, Chartered Accountants, (Firm Registration No. 105787W), as Statutory Auditors of the Company in place of M/s. Todarwal & Todarwal, Chartered Accountants (Firm registration No. 111009W), the retiring Statutory Auditors.

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s VSS & Associates, Chartered Accountants (Firm Registration No. 105787W), be and is hereby appointed as Statutory Auditor of the Company, in place of M/s Todarwal & Todarwal, Chartered Accountants (Firm Registration No. 111009W), the retiring Statutory Auditor, to hold office for a term of five years from the conclusion of this 40<sup>th</sup> Annual General Meeting (“AGM”) till the conclusion of the 45<sup>th</sup> Annual General Meeting of the Company to be held in 2022, subject to ratification of their appointment by the Members at every year Annual General Meeting till the 45<sup>th</sup> Annual General Meeting, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditor.”

### SPECIAL BUSINESS:

- Reappoint M/s Manisha & Associates, Cost Accountants (Firm Registration No. 000321) as Cost Auditors for the Financial Year 2017-18 including their remuneration.**

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 all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force M/s. Manisha Associates –Cost Accountants (firm Registration No. 000321) as a Cost auditor appointed by the Board of

Directors of the Company, to conduct the audit of the Cost records of the Company for the Financial Year ending 31<sup>st</sup> March, 2018 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Cost Auditor.

**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.”

- Revision In Terms of Remuneration of Mr. Babulal Agarwal, Managing Director of The Company w.e.f 1<sup>st</sup> April, 2017 to 31<sup>st</sup> December, 2017.**

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

“**RESOLVED THAT** in partial modification of the resolution passed by the members at the 37<sup>th</sup> Annual General Meeting of the Company held on 30<sup>th</sup> July, 2014 for the appointment of Mr. Babulal Agarwal as the Managing Director of the Company and the terms of remuneration payable to him and the provisions of section 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and such other consents and permission as may be necessary, the consent of the Members be and is hereby accorded for revision in remuneration of Mr. Babulal Agarwal [DIN: 00029389], Managing Director of the Company w.e.f 1<sup>st</sup> April, 2017 to be paid as under including salary, allowances and perquisites for the remainder period of his tenure i.e upto 31<sup>st</sup> December, 2017 within the maximum ceiling limit prescribed under Section II of Part II of Schedule V to the Companies Act, 2013 as may be amended from time to time and in force unless approval from Central Government is obtained to pay in excess of the limits prescribed.

### **Details of remuneration:-**

a) Basic Salary	:	₹ 1,00,000 p.m
b) House Rent Allowance	:	₹ 65,000 p.m
c) Conveyance	:	₹ 50,000 p.m
d) Transport Allowance	:	₹ 9,670 p.m
e) General Allowance	:	₹ 65,000 p.m
f) Special Allowance	:	₹ 65,000 p.m
g) LTA	:	₹ 25,000 p.m
h) Medical Allowance	:	₹ 25,000 p.m
i) Perquisites	:	₹ 1,25,000 p.m
j) Employer Contribution to PF:	:	₹ 12,000 p.m
<b>Total</b>	:	<b>₹ 5,41,670 p.m</b>

**RESOLVED FURTHER THAT** Mr. Babulal Agarwal, Managing Director shall also be eligible for the following which shall not be included in the computation of the ceiling on remuneration:

# LLOYDS METALS AND ENERGY LIMITED

- a) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the income tax Act, 1961;
- b) Gratuity payable at rate not exceeding half a month's salary for each completed year of service, and
- c) One Month's leave with full salary for every 11 months and Encashment of leave as per Company Rules.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

## 6. Reappointment of Mr. Babulal Agarwal as a Managing Director of The Company for the Further Periods of 5 Years.

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

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the Articles of Association of the Company; and as recommended by the Nomination and Remuneration Committee of the Board and subject to such other approval(s), permission(s) and sanction(s), as may be required, the consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Babulal Agarwal [DIN: 00029389], as Managing Director of the Company for a further period of 5 years with effect from January 01, 2018 to December 31, 2022, as well as the payment of salary, commission and perquisites (hereinafter referred to as "remuneration"), as detailed herein in below within the maximum ceiling limit prescribed under Section II of Part II of Schedule V to the Companies Act, 2013 as may be amended from time to time and in force unless approval from Central Government is obtained to pay in excess of the limits prescribed.:

### Details of remuneration:-

a) Basic Salary	:	₹ 1,00,000 p.m
b) House Rent Allowance	:	₹ 65,000 p.m
c) Conveyance	:	₹ 50,000 p.m
d) Transport Allowance	:	₹ 9,670 p.m
e) General Allowance	:	₹ 65,000 p.m
f) Special Allowance	:	₹ 65,000 p.m
g) LTA	:	₹ 25,000 p.m
h) Medical Allowance	:	₹ 25,000 p.m
i) Perquisites	:	₹ 1,25,000 p.m
j) Employer Contribution to PF	:	₹ 12,000 p.m
<b>Total</b>	:	<b>₹ 5,41,670 p.m</b>

**RESOLVED FURTHER THAT** Mr. Babulal Agarwal, Managing Director shall also be eligible for the following which shall not be included in the computation of the ceiling on remuneration:

1. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the income tax Act, 1961;
2. Gratuity payable at rate not exceeding half a month's salary for each completed year of service, and
3. One Month's leave with full salary for every 11 months and Encashment of leave as per Company Rules.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to grant increment or vary perquisites from time to time during the tenure of the Managing Director so however that the aggregate of the remuneration and perquisites shall not exceed the maximum ceiling specified in schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

## 7. Approval of Employee Stock Options Plan ("LLOYDS ESOP – 2017") and grant of Employee Stock Options to the employees of the Company through trust.

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

"**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, and rules framed there under, the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as "SEBI SBEB Regulations") and such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval and consent of the Company be and are hereby accorded respectively to the 'Lloyds Metals and Energy Limited Employee Stock Options Plan- 2017' (hereinafter referred to as the "**LLOYDS ESOP – 2017**") and to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee, including the Nomination and Remuneration /Compensation Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution) to create, offer and grant from time to time such number of Employee Stock Options ("Options"), through trust to the eligible employees including Directors (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly not more than 5% of the outstanding Equity Shares of the Company), whether whole-time or otherwise, whether working in India or out of India, as may be decided solely by the Board or Nomination and Remuneration Committee of the Board under the Plan, exercisable into not more than 5% of the fully paid-up Equity Shares in the Company in aggregate, of face value of ₹ 1/- each, directly by the Company and

at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board or Nomination and Remuneration Committee from time to time in accordance with the provisions of the Plan and in due compliance with the applicable laws and regulations.

**RESOLVED FURTHER THAT** pursuant to the Applicable Laws, approval of the members of the Company be and is here by accorded to the Board to implement the “**LLOYDS ESOP – 2017**” through the “**LMEL EMPLOYEES TRUST – 2017**”.

**RESOLVED FURTHER THAT** the “**LMEL EMPLOYEES TRUST – 2017**” be and is hereby authorized to:-

- a. administer, implement and superintend the “**LLOYDS ESOP – 2017**”;
- b. determine the terms and conditions of grant, issue, re-issue, cancel and withdrawal of Shares from time to time;
- c. formulate, approve, evolve, decide upon and bring into effect, suspend, withdraw or revive any sub-scheme or plan for the purpose of grant of Shares to the employees and to make any modifications, changes, variations, alterations or revisions in such sub-scheme or, plan from time to time;
- d. do all such acts, deeds, things and matters as may be considered necessary or expedient including delegation of all or any of the powers herein conferred by this resolution to any committee of directors, director, officer or authorized representative of the Company; and
- e. Settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.

**RESOLVED FURTHER THAT** approval be and is hereby given to affix Common Seal of the Company on the Trust Deed and any other documents which is required in this regard.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to issue and allot Equity Shares upon exercise of Options from time to time in accordance with the “**LLOYDS ESOP – 2017**” and such Equity shares shall rank pari passu in all respects with the then existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** the number of Employee Stock Options that may be granted to any eligible employees of the Company, in any financial year and in aggregate under the “**LLOYDS ESOP – 2017**” shall be lesser than 5% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and sale of division/undertaking or other re-organization, change in capital and others, if any additional Equity Shares are required to be issued by the Company to the Shareholders, the ceiling as aforesaid shall be deemed to increase in proportion of such additional Equity Shares issued to facilitate making a fair and reasonable adjustment.

**RESOLVED FURTHER THAT** in case the Equity Shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the Option Grantees under the schemes shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Re.1/- per Equity Share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the “**LLOYDS ESOP – 2017**” subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as may at its absolute discretion deems fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the “**LLOYDS ESOP – 2017**” and do all other things incidental and ancillary thereof.

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the “**LLOYDS ESOP – 2017**”.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of the securities allotted under the “**LLOYDS ESOP – 2017**” on the Stock Exchanges, where the securities of the Company are listed as per the provisions of the Listing Agreement with the concerned Stock Exchanges and other applicable guidelines, rules and regulations.

**RESOLVED FURTHER THAT** the Board, be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deems necessary including authorizing or directing the Nomination and Remuneration Committee to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of “**LLOYDS ESOP – 2017**” as also to prefer applications to the appropriate Authorities, Parties and the Institutions for their requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI/Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.

**By Order of the Board  
For Lloyds Metals and Energy Limited**

**Date: 07<sup>th</sup> August, 2017  
Place: Mumbai**

**Nitesh Tanwar  
Company Secretary  
ACS - 28498**

# LLOYDS METALS AND ENERGY LIMITED

## NOTES:

1. **A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy/proxies need not be a member of the Company.**
2. **The instrument appointing proxy, in order to be effective, must be received by the Company at the Registered Office not later than 48 hours before the commencement of the Meeting. Members / Proxies are requested to sign the attendance slip annexed to the proxy form and hand it over at the gate of the venue of the Meeting.**
3. A person can act as a proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. The proxy form should be in writing and be signed by the appointer or his/her attorney duly authorized in writing or, if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.
5. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 12<sup>th</sup> September, 2016 to Tuesday, 19<sup>th</sup> September, 2017 (both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013.
7. The information regarding the Director who is proposed to be re-appointed, as required to be provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard on General Meetings issued, is annexed hereto.
8. An explanatory Statement setting out details relating to the special business to be transacted at the Annual General meeting pursuant to Section 102(1) of the Companies Act, 2013, is annexed hereto.
9. 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.
10. Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
11. 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. 19.
12. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
13. In line with the Green Initiative of the Ministry of Corporate Affairs, hard copy of the Annual Report containing the Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement etc. will be sent to those shareholders who have not registered their e-mail addresses. Shareholders who have registered their e-mail addresses will be sent the soft copies by e-mail. However, a shareholder continues to retain the right to request the Company for a hard copy of the Report.
14. Relevant documents referred to in the accompanying Notice and the Explanatory Statement, the Statutory Registers, the Audited Financial Statements, the Directors' Report and the Auditor's Report, will remain open for inspection at the Registered Office of the Company on all working days between 09:00 a.m. to 5:00 p.m. excluding Saturdays, Sundays and public holidays upto the date of the AGM. The Audited Financial Statements, the Directors' Report and the Auditor's Report will be placed on the Company's website on [www.lloyds.in](http://www.lloyds.in)
15. During the period shareholders of the Company holding shares either in physical form or in Dematerialised forms as on Benpos date (Record date) i.e. 11<sup>th</sup> August, 2017 will receive Annual Report 2017.
16. Members desiring any information as regards to Accounts are requested to write 7 days in advance to the Company before the date of the meeting to enable the Management to keep full information ready.
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., 1<sup>st</sup> 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. **Information and other instructions relating to E-Voting are as under:**
  - a. Pursuant to the provisions of Section 108 and other

applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting (**'Remote E-Voting'**).

- b. The facility for voting through Ballot shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote E-Voting shall be able to vote at the Meeting through **'Ballot'**.
- c. The members who have cast their vote by remote E-Voting may also attend the Meeting but shall not be entitled to cast their vote again. Please note that if a Member casts vote by both the modes, then votes cast through E-Voting shall prevail and voting at the Meeting will be treated invalid.
- d. The Company has engaged the services of Central Depository Services Limited ("CDSL") as the Agency to provide e-voting facility.
- e. The Board of Directors of the Company has appointed K.C. Nevatia, Practicing Company Secretary (Membership No. FCS 3963 CP No. 2348), as the Scrutinizer, to scrutinize the voting and remote E-Voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- f. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. **12<sup>th</sup> September, 2017**.
- g. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 12<sup>th</sup> September, 2017 only shall be entitled to avail the facility of remote E-Voting /Ballot.
- h. The Scrutinizer, after scrutinizing the votes cast at the meeting (**"Ballot"**) and through remote E-Voting, will, not later than three days of conclusion of the Meeting, make a Consolidated Scrutinizer's Report and submit the same to the Chairman. The results declared along with the Consolidated Scrutinizer's Report shall be placed on the website of the Company www.lloyds.in. The results shall simultaneously be communicated to the Stock Exchange.
- i. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. **19<sup>th</sup> September, 2017**.
- j. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.

**The instructions for shareholders voting electronically are as under:**

- i) The voting period begins on 16<sup>th</sup> September, 2017 at 9.00 a.m. and ends on 18<sup>th</sup> September, 2017 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 12<sup>th</sup> September, 2017 may cast their vote electronically. The E-Voting module shall be disabled by CDSL for voting thereafter.
- ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii) The shareholders should log on to the E-Voting website www.evotingindia.com during the voting period.
- iv) Click on "Shareholders" tab.
- v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vi) Next enter the Image Verification as displayed and Click on Login.
- vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- viii) If you are first time user follow the steps given below:

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"> <li>• 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.</li> <li>• 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.</li> </ul>
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"> <li>• 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).</li> </ul>



# LLOYDS METALS AND ENERGY LIMITED

- ix) After entering these details appropriately, click on “**SUBMIT**” tab.
- x) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in Demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for E-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi) For Members holding shares in physical form, the details can be used only for E-Voting on the resolutions contained in this Notice.
- xii) Click on the EVSN for “**LLOYDS METALS AND ENERGY LIMITED**” on which you choose to vote.
- xiii) 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.
- iv) Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.
- xv) 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.
- xvi) Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- xvii) You can also take out print of the voting done by you by clicking on “**Click here to print**” option on the Voting page.
- xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- In case you have any queries or issues regarding E-Voting, you may refer the Frequently Asked Questions (“FAQs”) and E-Voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an E-Mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
20. The route map of the venue of the 40<sup>th</sup> Annual General Meeting is appended to this Notice.
21. Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the following information is furnished in respect of Director seeking re-appointment.

## Details of Director seeking re-appointment

Disclosure required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 in respect of Directors seeking re-appointment.

<b>Name of Director</b>	Mukesh R. Gupta
<b>DIN</b>	00028347
<b>Age</b>	59 years
<b>Date of first appointment on the Board</b>	21 <sup>st</sup> November, 1991
<b>A Brief Resume of the Director &amp; Nature of his Expertise in Specific Functional Areas;</b>	He is commerce graduate and a successful industrialist having vast knowledge and rich experience of over 29 years in Production, Management, Consultancy and other areas in Steel, Power and Trading Industry. Under his Leadership, the Company and Uttam Value Steels Ltd. (Formerly Lloyds Steel Industries Ltd.) implemented several projects in Steel Sector, including power plant. He is Founder Board Member of Lloyds Group.
<b>Disclosure of Relationships Between Directors Inter-Se;</b>	Mr. Babulal Agarwal is maternal uncle of Mr. Mukesh R. Gupta and Mr. Rajesh R. Gupta and Mr. Rajesh R. Gupta and Mr. Mukesh R. Gupta are brothers.
<b>Names of Listed Entities in which the person also holds the Directorship and the Membership / Chairmanship of Committees of the Board</b>	<b>Directorship</b> 1. Lloyds Metals and Energy Limited <b>\$ Membership of Committees-2</b>
<b>No. of Shares held in the Company</b>	57,07,300 shares
<b>No. of Board meetings attended during last Financial Year</b>	4 (Four)
<b>Terms and conditions of appointment</b>	Non-Executive Director (Non-Independent), liable to retire by rotation.

\$ Includes only Audit Committee and Shareholders’ / Investors’ Grievance Committee.

**By Order of the Board**  
For Lloyds Metals and Energy Limited

Date : 07<sup>th</sup> August, 2017  
Place : Mumbai

Nitesh Tanwar  
Company Secretary  
ACS - 28498

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

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

**Item No. 4**

The Board on recommendations of the Audit Committee in their meeting held on 12<sup>th</sup> April, 2017 has approved the re-appointment of M/s. Manish & Associates, Cost Accountants as Cost Auditor to conduct the Cost Audit of the Company for the Financial year 2017-18 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Cost Auditor.

In accordance with the provisions of section 148 of the act read with Companies (Audit & Auditors) Rules, 2014, the remuneration payable to the cost auditor has to be ratified by the Shareholders of the Company.

Accordingly, consent of the member is sought for passing the Ordinary Resolutions as set out at item No. 4 of the Notice for appointment and ratification of remuneration payable to the cost auditors for the financial year ending 31<sup>st</sup> March, 2018.

None of the Directors/ Key- Managerial Personnel of the Company or their relatives are concerned or interested in the resolutions as set out at item No. 4 of the Notice except to the extent of their shareholding in the Company, if any.

The Board recommends the ordinary resolutions set out at the item no. 4 of the Notice for member’s approval of the Company.

**Item No. 5:**

The Board of Directors of the Company at its meeting held on 19<sup>th</sup> January, 2017 proposed to seek the approval of members by way of special resolution for the revised remuneration payable to Mr. Babulal Agarwal with effect from 1<sup>st</sup> April, 2017, for remainder period of his tenure i.e upto 31<sup>st</sup> December, 2017, in terms of applicable provisions of the Companies Act, 2013 and as recommended by the Nomination and Remuneration Committee.

The details as required under Schedule V to the Companies Act, 2013 is provided in Item No. 6 of the Notice under the heading **“DISCLOSURES AS PER SUB CLAUSE (iv) OF THE SECOND PROVISO TO CLAUSE (B) OF SECTION II OF PART-II OF SCHEDULE V OF THE ACT”**

Except Mr. Babulal Agarwal, none of the other Directors, Key Managerial Personnel or any of their relatives are, in any way, concerned or interested, financially or otherwise in this resolution.

The Board recommends the Special Resolutions set out at the item no. 5 of the Notice for member’s approval of the Company.

**Item No. 6:**

Mr. Babulal Agarwal was appointed by the Shareholders in the Annual general meeting held on 30<sup>th</sup> July, 2014 as Managing Director of the Company for a period of three years i.e. from 1<sup>st</sup> January, 2015 to 31<sup>st</sup> December, 2017. His term as Managing Director of the Company will expire on 31<sup>st</sup> December, 2017.

Keeping in view that Mr. Babulal Agarwal has rich and varied experience in the Industry and has been involved in the operations of the Company over a period of time, it is

proposed to re-appoint him for further period of five years from 1<sup>st</sup> January, 2018 to 31<sup>st</sup> December, 2022. The re-appointment of Mr. Babulal Agarwal (DIN: 00029389) as the Managing Director of the Company shall require the approval of the shareholders by way of passing of Special Resolution pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or reenactment thereof for the time being in force), the approvals of the Central Government and other authorities, if so required. The proposed re-appointment of and payment of remuneration to Mr. Babulal Agarwal (DIN: 00029389) as the Managing Director has been considered and recommended by the Nomination and Remuneration Committee at its meetings held on 19<sup>th</sup> January, 2017.

The remuneration and terms of re-appointment are set out below:

**Details of remuneration:-**

a) Basic Salary	:	₹ 1,00,000 p.m.
b) House Rent Allowance	:	₹ 65,000 p.m.
c) Conveyance	:	₹ 50,000 p.m.
d) Transport Allowance	:	₹ 9,670 p.m.
e) General Allowance	:	₹ 65,000 p.m.
f) Special Allowance	:	₹ 65,000 p.m.
g) LTA	:	₹ 25,000 p.m.
h) Medical Allowance	:	₹ 25,000 p.m.
i) Perquisites	:	₹ 1,25,000 p.m.
j) Employer Contribution to PF	:	₹ 12,000 p.m.
<b>Total</b>	:	<b>₹ 5,41,670 p.m.</b>

**In addition to this Mr. Babulal Agarwal is also eligible for:-**

1. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the income tax Act, 1961
2. Gratuity payable at rate not exceeding half a month’s salary for each completed year of service, and
3. One Month’s leave with full salary for every 11 months and Encashment of leave as per Company Rules.

**General Conditions :**

1. The Managing Director will perform his Duties as such with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects.
2. The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Companies Act, 2013 with regard to duties of directors.
3. The Managing Director shall adhere to the Company’s code of conduct.

# LLOYDS METALS AND ENERGY LIMITED

Mr. Babulal Agarwal satisfies all the conditions set out in Part-I of Schedule V of the Act as also conditions set out under sub-section (3) of Section 196 of the Companies Act, 2013, for his re-appointment. He is not disqualified for being appointed as Directors in terms of Section 164 of the Companies Act, 2013.

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

As per Audited Financial Statements of the Company for the Financial Year 2016-17, the Company has inadequate profit, therefore, pursuant to the provisions of Section 197 of the Companies Act, 2013, the remuneration payable to Managing Director should be in accordance with the provisions of Schedule V of the Act.

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

### I. General Information:

1.	Nature of industry	Manufacturing of Sponge Iron & Power	
2.	Date or expected date of commencement of commercial production	The Company has commenced its production activities since 1977.	
3.	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	<b>Not Applicable</b>	
4.	Financial performance based on given indicators	Financial Year 2016-17 (₹ in Lakhs)	Financial Year 2015-16 (₹ in Lakhs)
	Total Income	41,950.00	39,098.19
	Profit/ (Loss) before tax	602.02	72.12
	Net profit after Taxation	602.02	72.12
5.	Foreign investments or collaborations, if any.	Not Applicable	

### II. Information about Mr. Babulal Agrawal:

1. Background Details	B.Com. and LL.B., having more than 48 years of experience in steel and power industry, has implemented several projects of Company. He was appointed as director prior to 1987 and designated as managing Director since 1995.
2. Past Remuneration	Salary– ₹1,00,000/- per month, HRA@ 60 % of basic salary and Other allowances – ₹40,000/- per month
3. Recognition or Awards	-

4. Job Profile and it's Suitability	At present, Managing Director of the Company. He was appointed as director prior to 1987 and designated as managing Director since 1995. He is responsible for day to day affairs of the Company.
5. Remuneration proposed	₹ 65,00,040 Per Annum
6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed is reasonable as compared to size of the Company, profile and position of the person as well as with respect to the industry.
7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	He is a promoter director. He has no other pecuniary relationship with Company except remuneration and not related with managerial personnel.

### III. Other Information's:

Reasons of loss or inadequate profits	High Input Costs, Lower realizations, Adverse market conditions and Inadequate working capital
Steps taken or proposed to be taken for improvement	Reduction in cost of production Obtaining working capital facilities
Expected increase in productivity and profits in measurable terms.	The Company is expecting to improve the productivity and to earn the profits in the nearest future.

Profile of Mr. Babulal Agarwal is given in this notice. The Board considers that his reappointment would be of immense benefit to the Company. Accordingly the Board of Directors recommends his re-appointment.

Except Mr. Babulal Agarwal, being appointee, none of the other Directors, Key Managerial Personnel or any of their relatives are, in any way, concerned or interested, financially or otherwise in this resolution.

The Board recommends the Special Resolutions set out at the item no. 6 of the Notice for member's approval of the Company.

### Item No. 7:

Stock options are an effective instrument to align interests of employees with those of the Company and provide an opportunity to employees to participate in the growth of the Company, besides creating long term wealth in their hands. This also helps the Company to attract, retain and motivate the best available talent in a competitive environment.

The Board, therefore, proposes to introduce, formulate and create "LLOYDS ESOP – 2017". Grant of stock options under "LLOYDS ESOP – 2017" shall be as per the terms and conditions as may be decided by "Nomination and Remuneration Committee" from time to time in accordance with the Applicable Laws.

A copy of the "LLOYDS ESOP – 2017" incorporating the features of the Scheme will be available for inspection on all working days (Monday to Friday) between 11.00 a.m. and 1.00 p.m. at the registered office of the Company.

None of the Directors or Key Managerial Personnel of the Company including their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution except to the extent of grant of stock options to them, if any, under the "LLOYDS ESOP – 2017".

The Board recommends the Special Resolutions set out at the item no. 7 of the Notice for member's approval of the Company.

### **Disclosures as required under Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014:**

1. The class of employees for whose benefit the scheme is being implemented and money is being provided for purchase of or subscription to shares:

Present and future, permanent employees and directors (whether whole time director or not but excluding independent directors) of the Company, its holding and subsidiary Company(ies) as may be determined by the Nomination and Remuneration Committee and Trust Committee from time to time.

2. The particulars of the employees in whose favour such shares are to be registered:

As may be decided by the Nomination and Remuneration Committee and Trust Committee from time to time.

3. The particulars of trust and name, address, occupation and nationality of trustees and their relationship with the promoters, directors or key managerial personnel, if any:

The name of trustee will be decided by the Nomination and Remuneration Committee.

None of the trustees are related to the Promoters/ Directors/Key Managerial Personnel of the Company Subject to the compliance of the provisions of the Applicable Laws, the Board may change the aforesaid trustees at any time.

4. Any interest of Key Managerial Personnel, Directors or Promoters in such scheme or trust and effect thereof:

The Key Managerial Personnel and Directors are interested in the ESOP Scheme(s) only to the extent of stock options granted/to be granted to them, if any.

5. The detailed particulars of benefits which will accrue to the employees from the implementation of the scheme:

Upon exercise of stock options, the eligible employees will be entitled to equivalent number of shares of the Company, as per the terms of grant.

6. The details about who would exercise and how the voting rights in respect of the shares to be purchased or subscribed under the scheme would be exercised:

In line with the requirements of the ESOP Regulations, neither the ESOP Trust nor any of its trustees shall exercise voting rights in respect of the shares of the Company held by the "LLOYDS ESOP – 2017". In terms of the provisions of the Applicable Laws, approval of the members by passing of special resolution is sought for implementation of the "LLOYDS ESOP – 2017".

**By Order of the Board**  
For **Lloyds Metals and Energy Limited**

**Date : 07<sup>th</sup> August, 2017**  
**Place : Mumbai**

**Nitesh Tanwar**  
**Company Secretary**  
**ACS - 28498**

# LLOYDS METALS AND ENERGY LIMITED

## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Company's Fortieth Annual Report and the Company's Audited Financial Statement for the financial year ended 31<sup>st</sup> March, 2017.

### 1. FINANCIAL PERFORMANCE

The Company's financial performance, for the year ended 31<sup>st</sup> March, 2017 is summarized below:

(₹ in Lakhs)

Particulars	Current Year 2016-17	Previous Year 2015-16
<b>Income from Operations</b>	<b>40,557.89</b>	<b>37,686.98</b>
<b>Other Income</b>	<b>1,392.11</b>	<b>1,411.21</b>
<b>Total Income :</b>	<b>41,950.00</b>	<b>39,098.19</b>
Profit before Interest, Depreciation & Tax	<b>2,840.99</b>	<b>2,729.77</b>
Less : Finance Cost	<b>1,016.39</b>	<b>969.98</b>
Depreciation	<b>1,222.57</b>	<b>1,064.74</b>
Exceptional Items	<b>00.00</b>	<b>622.93</b>
Profit/(Loss) before tax	<b>602.03</b>	<b>72.12</b>
Less : Tax Provision	-	-
<b>Net Profit/ (Loss) after Tax</b>	<b>602.03</b>	<b>72.12</b>

### 2. OPERATIONS AND OVERALL PERFORMANCE

#### Sponge iron Industries Scenario

The sponge iron industry growth has been on rise since 2003-04 positioning India as global leader in Sponge iron production. This rise is mainly because of growing demand for steel and scarcity of coking coal for steel production in India and For the 12<sup>th</sup> FYP it is expected that sponge iron sector will grow at a CAGR of 10 per cent and a likely increase of 2 per cent may be seen therein after at a CAGR of 12 per cent till 2020. The demand of coal will also rise in the same proportions for the sponge iron industry during the period listed above.

The demand of coal and projected growth of sponge iron industry can be assessed under following three scenarios namely:-

**Business as usual (BAU):-** In this scenario it is considered that the demand drivers of sponge iron industry will grow at the same rate i.e. the infrastructure growth will be registering a CAGR of 7 per cent till 2020. Thus, to meet the rising demand of the infrastructure sector the sponge iron industry will grow at a CAGR of 10 per cent in lieu of growing steel demand. Also, the demand of coal thus in turn by the sponge iron industry will grow at a CAGR of 10 per cent.

**Rapid infra growth scenario (RIG):-** In this scenario it is assumed that the infra growth for India will be at a CAGR of 8 per cent till 2020. Thus, sponge iron industry growth and the coal demand by sponge iron industry will follow the same CAGR rate of 12 per cent till 2020.

**Slow infra growth scenario (SIG):-** In this scenario it is assumed that the infra growth for India will be at a CAGR of 6 per cent till 2020. Thus, sponge iron industry growth and the coal demand by sponge iron industry will follow the CAGR rate of 8% till 2020.

Under the above mentioned scenario the demand of coal by sponge iron industry and growth of sponge iron industry will grow at a same CAGR, as coal consumed in production of sponge iron of designate quantity is one-fourth of the sponge iron produced. The projected numbers are showcased in Exhibit 01, wherein the growth of sponge iron industry and growth in coal consumption is scaled for different listed scenarios.

The sponge iron industry relies on domestic source as far as meeting coal demand is concerned. Almost, 98 per cent of the coal required by the sponge iron industry is sources locally. Earlier, in 2006-07 the share of imports in coal supplies to sponge iron industry was around 1% but in 2016-17 imports has grown to 2% quantum of the total supplies to sponge iron industry. The chief source of coal supply to sponge iron industry has been CIL with nearly meeting 85% of the demand. Most of the sponge iron Companies have also been allocated coal blocks but lately the non-production has become an issue for the sector leading the sponge iron producer's source coal from coal traders.

Likely coal supply side challenges: The sponge iron sector in India faces major challenge of high calorific value domestic coal availability and more allocations to power and cement sector. The issues likely to impact coal supply for the sponge iron sector in future given the current scenario can be listed as under:-

**Lack of high calorific value of coal:** The sponge iron manufacturers are facing this as the biggest challenge as most of the coals reaching sponge iron plants from domestic sources are usually of low calorific value. This is so because in India high calorific value coal are available to limited mine source of ECL and MCL and growing demand of domestic non-coking coal from mainly power sector in lieu of UMMP's development in the states of Jharkhand and Odisha. Although, as of now it is being managed but going forward it will pose a major challenge for sustained production by sponge iron industry.

**CIL eyeing to close down MoU route for coal supplies:** The move is going to lay its huge impact on sponge iron industry if implemented as for power industry. This will sponge iron manufacturers struggling to cope with fuel linkage tie-ups with CIL at a higher cost.

**Stranded reserves of domestic coal due to improper utilization:** The inability to mine coal from allocated coal blocks and even starting production. Initially the SI industry performed good by making allocated blocks achieve targeted production but in last 8-10 years the most of the allocated blocks are non-producing.

**The domestic sourcing options and models which can be looked upon are under:-**

Joint-Venture with other sponge iron/steel Companies and inking FSA's with CIL:- This will enable even a small sponge iron manufacturing capacity unit to ensure coal supplies as the fuel linkage will be established.

Bidding for coal blocks in partnership of mining Expertise Company: – The likelihood of winning a bid for coal block will increase and it will also ensure better exploration and mining process to enable with timely supply and avoid cost overrun.

Participation in the domestic coal market as trader: – This will also help Companies building constant fuel supply and also will be bonus in terms of revenue if the sourced coal is traded.

The imports sourcing options and models are listed as under:-

Coal mine acquisition abroad in association with major steel Companies:- This will provide a sponge iron Company security in terms of fuel supplies of high calorific value and also it may explore the local market to sale coal in order to counter the high cost of imports.

JV with power Companies who already have acquired mines having high calorific value non-coking coal reserves: – This may be a very interesting model and sponge iron Companies may arrive to an understanding of a certain proportion of coal utilisation at the same cost which ideally power Companies would have been importing coal in India.

**Power Industries Scenario**

India has the fifth largest power generation capacity in the world. The country ranks third globally in terms of electricity production. Electricity production in India reached 584.22 Billion Units (BU) during April-September 2016. As per the 12th Five Year Plan, India is targeting a total of 88.5 GW of power capacity addition by 2017, of which, 72.3 GW constitutes thermal power, 10.8 GW hydro and 5.3 GW nuclear.

Renewable energy is fast emerging as a major source of power in India. Wind energy is the largest source of renewable energy in India. It accounts for an estimated 60 per cent of total installed capacity (21.1GW). There are plans to double wind power generation capacity to 20GW by 2022. India has also raised the solar power generation capacity addition target by five times to 100GW by 2022.

The Government of India has been supportive to growth in the power sector. It has de-licensed the electrical machinery industry and also allowed 100 per cent Foreign Direct Investment (FDI) in the sector.

With many bilateral nuclear agreements in place, India is expected to become a major hub for manufacturing nuclear reactors and associated components. Foreign participation in the development and financing of generation and transmission assets, engineering services, equipment supply and technology collaboration

in nuclear and clean coal technologies is also expected to increase.

The Total Income of the Company was ₹ 419.50 crores during the year as against ₹ 390.98 crores in the previous year, showed increased of 7.29%. The Company has reported Net profit of ₹ 6.02 crores during the year under review as against profit of ₹ 0.72 crores in the previous year.

**SPONGE IRON DIVISION**

The production of Sponge Iron Division during the year under review was 1,83,007 MT against 1,73,745 MT in the previous year showing increase of 5.33%. The total income of the division was ₹ 342.12 Crores (including trading) as against ₹ 319.11 Crores during the previous year, showing increased of 7.21% as a result increase in trading of Steel and realization of high price of sponge iron.

**POWER DIVISION**

The production of the division was 23.54 MWH during the year under review as compared to 22.67 MWH for the previous year. The total income of the division was ₹ 63.46 Crores during the year under review as against ₹ 57.76 Crores during the previous year showing an increase of 9.87%.

**MINING ACTIVITIES**

In respect of Iron ore mining activities, the Company has received all statutory permissions and necessary sanctions from the concerned authorities to commence mining operations. Further, the mining activities, at Surjagarh Iron Ore mines at Gadchiroli leased to us, which were suspended due to Force Majeure has been resumed. The Company has taken adequate steps to commence mining operations as per mining plan. Surajgarh iron ore mine fulfils the Company's requirement of iron ore for producing sponge iron, the mining of calibrated iron ore at captive mine at Surajagarh in Maharashtra has 1.01 Lakh MT as against previous year's mining of Nil MT.

**CARBON CREDITS**

The Company has received 124369 CERs(Certified Emission Reductions) from UNFCCC (United Nations Framework Convention on Climate Change).

**ENVIRONMENT & SOCIAL OBLIGATION**

The Company maintains the pollution free environment in and around its plants. The Company's plants comply with all norms set up for clean & better environment by Competent Authorities.

**MANAGEMENT DISCUSSION AND ANALYSIS**

The management of Lloyds Metals and Energy Limited presents its analysis report covering performance and outlook of the Company. The core business of the Company is manufacturing of sponge Iron and generation / distribution of Power. The management accepts responsibility for integrity and objectivity of the financial statements.

## LLOYDS METALS AND ENERGY LIMITED

- a) **Industry structure and development:** Industry structure and development: Sponge iron is an intermediate product; a source of metalics for the secondary steel making through EAF or EOF/IF route. Other sources of metalics are either steel scrap and hot metal produced in the blast furnace. Steel scrap becomes a direct substitute of sponge iron; since both of them are tradable commodities, unlike hot metal.

Further, sponge iron industry is also classified into two categories (i) gas based and (ii) coal based using coal as reductant. Lloyds Metals and Energy Limited is a coal based sponge iron producer.

- b) **Opportunities and threats:** Opportunities abound in growing economies and opening of economy in India has created opportunities for India enterprise to move beyond national boundaries as well to create productive assets. Presently, the Company is consolidating its gains out of creating additional production capabilities.

Competition in Steel industry is escalating and technological changes will spur or drag the forward march of individual units in steel industry. Supply side could also be an issue in next few years because of increase in production capacity by steel industry in India and expression of interest by foreign companies to set up new steel making units. However, coming years are also going to witness substantial additions particularly in the Asian regions. The Company's thrust on improving productivity and reducing cost of production will, in such a scenario, help in forging ahead in globally competitive environment.

- c) **Segment-wise performance:** The Company is operating two segments, Iron and Steel and Power Generation. Segment Wise results are given at Note No. 15 of significant accounting policies & notes to financial statements. The Company has no activity outside India.
- d) **Outlook:** The basic aim of the Company is to be able to produce Sponge Iron and Steel Products as per market requirements and be able to manage market trends to its advantage. "Opportunities abound in growing economies and opening of economy in India has created opportunities for Indian enterprise to move beyond national boundaries as well to create productive assets".

The Company is currently engaged in steel and steel related products activity and is looking for new avenues of business in various areas like infrastructure and trading. Since Infrastructure has linkages to other industries like cement, brick and steel through backward and forward linkages. The outlook for the industry looks reasonable, since India has good iron ore deposits, skilled manpower and growing demand for steel. The improved demand is expected to continue in the current fiscal as well on the back of ongoing government funded infrastructure projects. In spite of a downturn in the Global Steel demand, Indian steel demand could

survive showing an upward trend, setting a road ahead for the growth of the domestic steel industry in the long run. The upward trend is expected to be continued on account of fiscal measures taken by the Government such as infusion of funds for development of infrastructure sector, introduction of stimulus packages for revival of industry besides factors like increase in consumption and production of steel, upcoming infrastructure and Greenfield projects, stabilization of prices etc. The National Steel Policy has a target for taking Indian Steel production upto 110 MT by 2019-20.

- e) **Risk and concerns:** Global economic uncertainties have affected India's economy, Key risks synonymous to industry include the global recessionary trend, economic slowdown, increase in financial charges, non-availability (or undue increase in cost) of raw materials, such as iron ore, coal and labour etc., coupled with market fluctuations. The Company does not apprehend any inherent risk in the long run, with the exception of certain primary concerns that have afflicted the progress of our industry in general, like:

- Shortage of Labour
- Rising manpower and material costs,
- Approvals and procedural difficulties.
- Lack of adequate sources of finance.

Apart from this Industry is highly labour intensive and is subject to stringent labour laws. Your Company has identified the major thrust areas to concentrate on, which it believes to be critical to achievement of organizational goals. Company annually re-visits the 'List of Risk Area' to identify potential business threats and suitable corrective actions are initiated. Confirmations of compliance with appropriate statutory requirements are obtained from the respective units/divisions. Corporate Governance Policy clearly laying down roles, duties and responsibilities of various entities in relation to risk management is in place.

- f) **Mitigation of Risks:** The Company in order to mitigate the risks, threats and concerns, is taking necessary short term and long term steps like exploring Open Access Market for sale of power, expanding customer base, forward integration and energy management etc. The Company has already taken effective steps for raw material security in the long term.

- g) **Internal control system and Audit:** The Company believes in systematic working and placing of proper checks. Proper systems are in place and regular reviews are held at higher levels to check efficacy and relevance of these systems. These reviews also prescribe changes wherever required. The internal auditors of the company conduct audit of various department and areas. Their reports are placed before the Audit Committee, which reviews these reports and comments/suggestions of the Internal Auditors. The Audit Committee also

oversees financial systems/procedures and internal controls and is competent to call for any information/document from any department.

**h) Discussion on financial performance with respect to operating performance:** The operating performance of the Company has been discussed in Directors Report under the head '**Financial Performance**' & '**Operations and Overall Performance**' in the current year.

**i) Human resources and industrial relations:** 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 in 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. The HR department continuously strives to maintain and promote harmony and co-ordination among workers, staff and members of the senior management. The total number of employees as on 31<sup>st</sup> March, 2017 was 330.

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

#### 4. DIVIDEND

With a view to conserve the resources in long run, your Directors have not recommended any dividend for the year ended 31<sup>st</sup> March, 2017.

#### 5. TRANSFER TO RESERVES

During the year under review, no amount was transferred to general reserves.

#### 6. DEPOSIT

Your Company has not accepted deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. The question of non compliance of the relevant provisions of the law relating to acceptance of deposit does not arise.

#### 7. SUBSIDIARY & CONSOLIDATED FINANCIAL STATEMENTS

The Company is not having any subsidiary company.

#### 8. CHANGE IN THE NATURE OF BUSINESS

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

#### 9. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

1. in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2017, 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 31<sup>st</sup> March, 2017 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 to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### 10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

**(a) Directors:** In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. Mukesh R. Gupta, Director, retires by rotation at the forthcoming Annual General Meeting and, being eligible offers himself for re-appointment.

**The following are the Key Managerial Personnel of the Company:**

Mr. Babaulal Agarwal - Managing Director

Mr. Riyaz Shaikh – Chief Financial Officer

Mr. Nitesh Tanwar – Company Secretary

During the year 2016-17, there were no changes in Key Managerial Personnel of the Company.

**(b) Declaration by Independent Directors:** All Independent Directors have given declarations 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.



# LLOYDS METALS AND ENERGY LIMITED

**(c) Re-appointment of Managing Director:** The Board at its meeting held on 19<sup>th</sup> January, 2017, has reappointed Mr. Babulal Agarwal as Managing Director of the Company for the period of 5 years from 1<sup>st</sup> January, 2018 to 31<sup>st</sup> December, 2022. Necessary resolutions together with the explanatory statement have been included in the Notice of Fortieth Annual General Meeting as the above reappointment is subject to the approval of the shareholders.

**(d) Board Evaluation:** 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.

## 11. BOARD MEETINGS

4 meetings of the Board of Directors were held during the year on 14<sup>th</sup> April, 2016, 30<sup>th</sup> July, 2016, 24<sup>th</sup> October, 2016 and 19<sup>th</sup> January, 2017. 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.

## 12. INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on 19<sup>th</sup> January, 2017, inter alia, to:

- Review the performance of Non Independent Directors, and the Board of Directors as a whole;
- Review the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive 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 put into force.

## 13. BOARD COMMITTEES AND MEETINGS

During the year four (4) Audit Committee meetings were held details of which are given in the Corporate Governance Report. The gap between the meetings was within the period prescribed under the Companies Act, 2013 / SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All recommendations made by the Audit Committee were accepted by the Board during FY 2016-17. All other Committees also have met during the year and have helped the Board to provide direction to the management.

## 14. VARIOUS POLICIES

### (A) Risk Management Policy

The Risk Management policy is formulated and implemented by the Company. 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. The Risk Management Policy as approved by the Board is uploaded on the Company's website at the web link: <http://www.lloyds.in/policies.html>.

### (B) Remuneration Policy

The Remuneration policy provides guidelines to the Nomination & Remuneration Committee relating to the Appointment, Removal & Remuneration of Directors and KMP. It also provides criteria for determining qualifications, positive attributes and independence of a director.

The Nomination and Remuneration policy as approved by the Board is uploaded on the Company's website at the web link: <http://www.lloyds.in/policies.html>.

### (C) Whistle Blower Policy & Vigil Mechanism

The Company has formulated Whistle Blower Policy & established Vigil Mechanism for the directors and employees of the Company to report, serious and genuine unethical behavior, actual or suspected fraud and violation of the Company's code of conduct or ethics policy. It also provides adequate safeguards against victimization of persons, who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. None of the employees of the Company has been denied access to the Audit Committee. Mr. Nitesh Tanwar, Company Secretary and Compliance officer of the Company, has been designated as Vigilance and Ethics Officer for various matters related to Vigil Mechanism. The Policy on Vigil Mechanism and Whistle Blower Policy as approved by the Board is uploaded on the Company's website at the web link: <http://www.lloyds.in/policies.html>.

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

The Information on conservation of energy, technology absorption, foreign exchange earnings and out go, 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-A**' and forms part of this report.

## 16. AUDITORS AND AUDITORS' REPORT

**(A) Statutory Auditor:** The term of M/s Todarwal & Todarwal, Chartered Accountants (*Firm Registration No.111009W*), statutory auditors of the Company will be expires in the conclusion of this 40<sup>th</sup> Annual General Meeting, therefore, the Company has appointed M/s VSS & Associates, Chartered Accountant (*Firm Registration*

No. 105787W), Statutory Auditors of the Company for a term of 05 years from the conclusion of this AGM till the conclusion of 45<sup>th</sup> Annual General Meeting held in the year 2022 subject to the ratification at each annual general meeting held after forthcoming annual general meeting.

They have confirmed their eligibility to the effect that their appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for appointment.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

## **(B) Cost Auditor**

In terms of provisions of Section 148 of the Companies Act, 2013 and in accordance with notification issued by the Ministry Of Corporate Affairs, F.No.52 /26/ CAB – 2010 dated 2nd May, 2011, M/s Manisha & Associates, Nagpur, Cost Accountants was appointed as Cost Auditor of the Company for the financial year 2016-17 and they have offered themselves for re-appointment for the financial year 2017-18. The Company has filed Cost Audit Report for the financial year ended 31st March, 2016 with the Central Government within the time limit prescribed under the Companies Act, 2013.

## **(C) Secretarial Auditor**

Pursuant to Section 204 of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, The Board has appointed Mr. K. C Nevatia, Practicing Company Secretary (Membership No. FCS 3963 and Certificate of Practice No. 2348) as the Secretarial Auditor of your Company to conduct Secretarial Audit for the financial year 2016-17. The secretarial audit report for FY 2016-17 is attached as '**Annexure-B**'. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Based on the consent received from Mr. K. C Nevatia, Practicing Company Secretary and on the recommendations of the Audit Committee, the Board has appointed Mr. K. C Nevatia, Practicing Company Secretary, as secretarial auditor of the Company for the financial year 2017-18.

## **17. EXTRACT OF THE ANNUAL RETURN**

The Extract of the Annual Return for the Financial Year 2016- 17 is enclosed with this report pursuant to section 92(3) of the Companies Act, 2013 as '**Annexure-C**' and forms part of this report.

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

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

## **19. INTERNAL FINANCIAL CONTROLS**

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.

## **20. PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTY**

The Company did not enter into any transactions / contracts or arrangement with any of the related party during the financial year ended 31<sup>st</sup> March, 2017 pursuant to section 188(2) of the Companies Act, 2013.

## **21. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

The particular of employees are given in '**Annexure-D**' to this report as required under Section 197 (12) of The Companies Act 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **22. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEE GIVEN AND SECURITIES PROVIDED**

Particulars of Investments made pursuant to Section 186 of the Companies Act, 2013 are provided in Note 10 to the Financial Statement. The Company has not given any loan or guarantee or provided security during the year under review.

## **23. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN**

Your director's further 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.

## **24. CORPORATE GOVERNANCE REPORT**

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

## **25. CORPORATE SOCIAL RESPONSIBILITY**

The Provision of Section 135(2) read with Schedule VII of the Companies Act, 2013, pertaining to Corporate Social Responsibility are not applicable to our Company though, the Board of your Company has constituted a CSR Committee. The Committee comprises of Mr. Mukesh R. Gupta as the Chairman and Dr. B.R. Singh and Mr. Rajesh R. Gupta as the members. Your Company has developed a CSR Policy.

# LLOYDS METALS AND ENERGY LIMITED

The CSR Policy has been uploaded on the Company's website at the web link: <http://www.lloyds.in/policies.html>.

**ANNEXURE – A**

## **SPONGE IRON PLANT**

### **26. INVESTOR SERVICES**

The Company and its Registrar M/s. Bigshare Services Private Limited who is looking after the physical as well as Demat work and also shareholders correspondence in terms of SEBI direction for having a common Registrar and Share Transfer Agent, endeavored their best to service the Investors satisfactorily.

### **27. GENERAL DISCLOSURE**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save or ESOS.
3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

### **28. 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  
For Lloyds Metals and Energy Limited**

**Date : 12<sup>th</sup> April, 2017  
Place: Mumbai**

**Mukesh R. Gupta  
Chairman**

### **A. CONSERVATION OF ENERGY**

Energy Conservation Measures Taken:-

Following are the measures on account of energy conservation:

1. To minimize heat radiation loss we have applied high quality refractory materials inside the kilns which lead less coal consumption by 2% annually.
2. Keeping minimum RPM of 24 nos of shell air fan maximum air volume is achieved by 100% damper opening of individual fans which saved significant amount of power.
3. By reducing 50% of operation hours in product separation system substantial saving power is achieved.

### **B. RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION**

1. By using high quality hematite iron ore from our captive mines we are able to reduce coal consumption by 10% in DRI manufacturing process with compare to sponge iron industry norms. As this iron ore is very rich & pure form of hematite ore which is having very high index of reducibility. Because of high reducibility properties of iron ore coal/carbon requirement is less for reduction process by 10% with compare to regular iron ore and pellets. Apart from this we are producing excellent quality of DRI in which % FeM (Fe Metallic) content is minimum 85%. This is also a major development in our organization.
2. Substantial reduction of direct fuel like coal by increasing campaign life.
3. Yearly steam generation has been increased due to continual operation of DRI Kilns .
4. By Re-using Blow down water from CPP for DRI plant utility , we have saved around 15% power consumption.

## **POWER PLANT**

### **A. CONSERVATION OF ENERGY**

1. Installation of Energy Efficient Pump in Jackwell Pump, replaced 62kW motor with 30kW motor. Automatic control of field lighting by providing Timer switches at different Location.
2. De-arator make-up was done from DM transfer pump directly. Now, DM water is taken in Hotwell with natural recirculation without DM pump running.
3. Conversional lightings are replaced with LED lamp.

### **B. R & D and Technology Absorption**

1. Coal Top plate in AFBC boiler is modified. It's size is increased from 300mm dia to 400mm dia due to which the velocity of coal through from coal nozzle get reduced and hitting impact on bed coils get reduced. Thus the life of bed coils get improved.
2. Bed material screening and Pneumatic conveying arrangement for bunker filling in AFBC Boiler – A small length of belt with magnetic pulley is erected for feeding the Drained Bed material from AFBC bed drain to Vibrating Sieving machine to separate

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

For the Company's Financial Year from 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2017  
 [Pursuant to section 204(1) of the Companies Act, 2013  
 and Rule No.9 of the Companies (Appointment and  
 Remuneration of Managerial Personnel)]

To,

The Members,  
**Lloyds Metals and Energy Limited**  
**Chandrapur**  
 (Maharashtra)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Lloyds Metals and Energy Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

Based on our verification of **Lloyds Metals and Energy Limited'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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended **March 31, 2017**, 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.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2017** according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. 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, were not attracted to the Company during the financial year under report.
4. 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. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015.

out magnetic particles and over size. The required sized bed material is transported to bunker through Pneumatic conveying. The advantages of this are -

- a) Reuse of magnetic free bed material in AFBC boiler.
  - b) Proper required size.
3. Replacement of Steam traps with Thermodynamic type Stream Traps in Main Steam line to reduce the steam loss
  4. Draig Chain Modification in AFBC Boiler – The length of Draig Chain feeder is reduced by 3 mtr from its 16 mtr. Length. From this modification , its travelling time is reduced and the advantages of this are -
    - a) Power saving achieved because of low RPM set.
    - b) Reduction in breakdown period because of low length of Chain.
    - c) Low maintenance cost.
  5. Fills replacement in Cooling Tower – The PVC fill are replaced with new one. The air flow got increased due to which effectiveness of cooling tower got increased and the requirement of running of standby cooling tower fan to maintain required parameters got eliminated. Now, we are achieving operating parameters with running of two cooling tower fans only instead of three cooling tower fans. Thus, there is 110kW power saving hourly.
  6. Earlier Hotwell level was maintained through two Condensate Extraction Pumps at Full load of turbine. The impeller of one of CEP pump is modified to increase the flow of Condensate Extraction Pump. Now, hotwell level is maintained through single pump.
  7. Re-use of drained Bed material in AFBC boiler- To maintain the bed height of AFBC furnace, the bed material is drained regularly. The drained bed material has high magnetic. This is reprocessed from magnetic pulley and screened and recovered bed material in recharged in the furnace. Thus, consumption of new bed material is reduced.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

Total Foreign exchange Earned and Used

(₹ in Lakhs)

Foreign Exchange earned in terms of Actual Inflows	NIL
Foreign Exchange outgo in terms of Actual Outflows	₹ 72.23

For and on behalf of the Board  
**For Lloyds Metals and Energy Limited**

Date: 12<sup>th</sup> April, 2017  
 Place: Mumbai

Mukesh R Gupta  
 Chairman

# LLOYDS METALS AND ENERGY LIMITED

5. Employees Provident Fund and Miscellaneous Provisions Act, 1952;
6. Employees State Insurance Act, 1948;
7. Employers Liability Act, 1938;
8. Environment Protection Act, 1986 and other environmental laws;
9. Equal Remuneration Act, 1976;
10. Factories Act, 1948;
11. Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rule, 2003;
12. Indian Contract Act, 1872;
13. Income Tax Act, 1961 to the extent of Tax Deducted at Source under various Section and T.D.S. Returns filed;
14. Indirect Tax Laws relating to collections, deductions, wherever applicable, payments made and returns filed;
15. Indian Stamp Act, 1899;
16. The Maharashtra Stamp Act, 1958;
17. Industrial Dispute Act, 1947;
18. Maternity Benefits Act, 1961;
19. Minimum Wages Act, 1948;
20. Negotiable Instruments Act, 1881;
21. Payment of Bonus Act, 1965;
22. Payment of Gratuity Act, 1972;
23. Payment of Wages Act, 1936 and other applicable labour laws.
24. Indian Boiler Act, 1950;
25. Indian Electricity Act, 2003.

**According to the records of the Company, the disputed dues in respect of Excise Duty of ₹ 597.94 lakhs (Previous year ₹ 5.20 Lakhs) and Sales Tax ₹ 1.03 lakhs (Previous year ₹ 1.03 lakhs) as at March 31<sup>st</sup>, 2017 have not been deposited with appropriate authorities and no provision has been made for the same:**

Sr. No.	Name of the Statute	Amount (₹ In Lakhs)	Forum where dispute is pending
1	The Central Excise Act, 1944	5.20	Supreme Court
2	The Central Excise Act, 1944	584.45	CESTAT, Mumbai
3	The Central Excise Act, 1944	8.29	Commissioner (Appeal) Nagpur
4	The Central Sales Act, 1956	1.03	Joint Commissioner - Sales Tax
<b>Total</b>		<b>598.97</b>	

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

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

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

We 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. No Change took place in the composition of Board of Directors and Committees thereof during the financial year under review.

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

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

We 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.

We further report that during the audit period, there were no instances of:

- (i) Public / Rights / Preferential issue of shares / debentures / sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- (iv) Merger / amalgamation / reconstruction etc.
- (v) Foreign technical collaborations.

We further report that during the audit period the Company has-

- (i) Sub-divided its Equity Shares from the face value of ₹ 2/- per share to Face Value of ₹ 1/- per share
- (ii) Altered Capital Clause of its Memorandum of Association after complying with the applicable provisions of law.

**For K. C. Nevatia & Associates  
Company Secretaries**

**K. C. Nevatia  
Proprietor  
FCS No.: 3963  
C P No.: 2348**

**Place: Mumbai  
Date: 12<sup>th</sup> April, 2017**

## ANNUAL REPORT 2016-17

This Report is to be read with our letter of even date which is annexed and forms an integral part of this report.

To,

The Members

**Lloyds Metals and Energy Limited**

**Chandrapur**

(Maharashtra)

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 as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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 K. C. Nevatia & Associates  
Company Secretaries**

**K. C. Nevatia  
Proprietor**

**Place: Mumbai  
Date: 12<sup>th</sup> April, 2017**

**FCS No.: 3963  
C P No.: 2348**

# LLOYDS METALS AND ENERGY LIMITED

ANNEXURE – C

**Form No. MGT - 9  
EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31<sup>st</sup> March, 2017**

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

## I. REGISTRATION AND OTHER DETAILS:

1.	<b>CIN</b>	L40300MH1977PLC019594
2.	<b>Registration Date</b>	5 <sup>th</sup> April, 1977
3.	<b>Name of the Company</b>	LLOYDS METALS AND ENERGY LIMITED
4.	<b>Address of the Registered office and contact details.</b>	Plot No. A 1-2, MIDC Area, Ghugus, Dist. Chandrapur - 442 505, Maharashtra, India. Tel: 022-30418111, Fax: 022-30418260
5.	<b>Category/Sub Category of the Company</b>	Company Limited by Shares/Indian Non Government Company
6.	<b>Whether Listed Company (Yes/No)</b>	Yes (Listed in BSE)
7.	<b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	<b>M/s Bigshare Services Private Limited</b> 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (E), Mumbai - 400059, Phone: 022-40430200, Fax: 022-28475207, E-mail Id:investor@bigshareonline.com

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

SI. No	Name and Description of main Products / Services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Sponge Iron & Steel	24102	82.49
2	Power	35106	17.51

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

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

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

### i) Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year				No. of Shares held at the end of the Year				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat*	Physical*	Total*	% of Total Shares	
<b>A. Promoter</b>									
<b>1. Indian</b>									
a. Individual /HUF	43,60,860	0	43,60,860	3.92	2,37,21,720	0	2,37,21,720	10.66	6.74
b. Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c. State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d. Bodies Corp.	6,00,48,677	0	6,00,48,677	53.95	11,61,47,354	0	11,61,47,354	52.18	-1.77
e. Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
f. Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total-A(1)</b>	<b>6,44,09,537</b>	<b>0</b>	<b>6,44,09,537</b>	<b>57.87</b>	<b>13,98,69,074</b>	<b>0</b>	<b>13,98,69,074</b>	<b>62.84</b>	<b>4.97</b>
<b>2. Foreign</b>									
a. NRI Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b. Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c. Body Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d. Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
e. Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total-A(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholders of Promoters (1+2)</b>	<b>6,44,09,537</b>	<b>0</b>	<b>6,44,09,537</b>	<b>57.87</b>	<b>13,98,69,074</b>	<b>0</b>	<b>13,98,69,074</b>	<b>62.84</b>	<b>4.97</b>

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Category of Shareholders	No of Shares held at the beginning of the year				No. of Shares held at the end of the Year				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat*	Physical*	Total*	% of Total Shares	
<b>B. Public Shareholding</b>									
<b>1. Institution</b>									
a. Mutual Funds	1,000	2,500	3,500	0.00	2,000	5,000	7,000	0.00	0.00
b. Bank/FI	0	5,500	5,500	0.00	6,000	11,000	17,000	0.01	0.00
c. Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d. State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e. Venture Capital	0	0	0	0.00	0	0	0	0.00	0.00
f. Insurance Co.	0	0	0	0.00	0	0	0	0.00	0.00
g. FIs	0	0	0	0.00	0	0	0	0.00	0.00
h. Foreign portfolio Corporate	0	0	0	0.00	0	0	0	0.00	0.00
i. Foreign Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
j. Others	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total-B(1)</b>	<b>1,000</b>	<b>8,000</b>	<b>9,000</b>	<b>0.00</b>	<b>8,000</b>	<b>16,000</b>	<b>24,000</b>	<b>0.01</b>	<b>0.00</b>
<b>2. Non-Institution</b>									
a. Body Corp	2,07,75,587	1,65,500	2,09,41,087	18.82	1,53,42,886	3,25,000	1,56,67,886	7.04	11.78
b. Individual									
i. Individual Shareholders holding nominal share capital upto ₹2 lakh	62,48,695	27,87,605	90,36,300	8.12	1,63,00,690	54,14,210	2,17,14,900	9.76	1.64
ii. Individual Shareholders holding nominal share capital in excess of ₹2 lakh	87,89,993	0	87,89,993	7.90	2,61,43,649	0	2,61,43,649	11.75	3.85
c. Others									
i. NRI (Rep)	10,19,573	4,44,500	14,64,073	1.32	34,99,355	5,84,000	40,83,355	1.83	0.52
ii. NRI (Non Rep)	0	0	0	0.00	7,28,324	0	7,28,324	0.33	0.33
iii. Foreign National	0	0	0	0.00	0	0	0	0.00	0.00
iv. OCB	56,00,000	0	56,00,000	5.03	1,12,00,000	0	1,12,00,000	5.03	0.00
v. Trust	0	500	500	0.00	0	1,000	1,000	0.00	0.00
vi. In Transit	1,69,050	0	1,69,050	0.15	11,61,892	0	11,61,892	0.52	0.37
vii. Unclaimed Suspense Account	8,71,750	0	8,71,750	0.78	17,38,500	0	17,38,500	0.78	0.00
viii. NBFC	0	0	0	0.00	2,50,000	0	2,50,000	0.11	0.11
<b>Sub Total-B(2)</b>	<b>4,34,74,648</b>	<b>33,98,105</b>	<b>4,68,72,753</b>	<b>42.13</b>	<b>7,63,65,296</b>	<b>63,24,210</b>	<b>8,26,89,506</b>	<b>37.15</b>	<b>-4.97</b>
<b>Net Total(1+2)</b>	<b>4,34,75,648</b>	<b>34,06,105</b>	<b>4,68,81,753</b>	<b>42.13</b>	<b>7,63,73,296</b>	<b>63,40,210</b>	<b>8,27,13,506</b>	<b>37.16</b>	<b>-4.97</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
Promoter & Promoter Group	0	0	0	0	0	0	0	0.00	0.00
Public	0	0	0	0	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>107885185</b>	<b>34,06,105</b>	<b>11,12,91,290</b>	<b>100</b>	<b>21,62,42,370</b>	<b>63,40,210</b>	<b>22,25,82,580</b>	<b>100</b>	<b>0</b>

**Note:** \*During the financial year 2016-17, Company has sub divide its Equity Shares from face value of ₹ 2 each to ₹1 each.

## ii) Share Holding of Promoters:

Sr No.	Shareholder's Name	Shareholding at the beginning of the Year			Shareholding at the end of the Year			% Change in Shareholding during the Year
		No. of Shares	% of total Shares of the Company	% of Shares pledged/ encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares pledged/ encumbered to total Shares	
1	Shree Global Tradefin Limited	2,19,45,190	19.72	19.72	2,88,90,380	12.98	12.98	-6.74
2	ASP Technologies Private Limited	1,82,00,170	16.35	0.00	3,64,00,340	16.35	0.00	0.00
3	Triumph Trade & Properties Developers Private Limited	1,45,79,104	13.10	0.00	2,91,58,208	13.10	0.00	0.00
4	Ravi Agarwal	13,65,000	1.23	0.00	77,30,000	3.47	0.00	2.24



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5	Renu R. Gupta	6,02,210	0.54	0.00	12,04,420	0.54	0.00	0.00
6	Mukesh R. Gupta	3,53,650	0.32	0.00	57,07,300	2.56	0.00	2.24
7	Rajesh R. Gupta	3,45,860	0.31	0.00	56,91,720	2.56	0.00	2.25
8	Abha M. Gupta	3,34,770	0.30	0.00	6,69,540	0.30	0.00	0.00
9	Shreekrishna Gupta	3,01,000	0.27	0.00	6,02,000	0.27	0.00	0.00
10	Madhur R. Gupta	3,00,000	0.27	0.00	6,00,000	0.27	0.00	0.00
11	Chitralekha R. Gupta	2,58,370	0.23	0.00	5,16,740	0.23	0.00	0.00
12	Priyanka Rajesh Gupta	2,50,000	0.22	0.00	5,00,000	0.22	0.00	0.00
13	Dipti M. Gupta	2,50,000	0.22	0.00	5,00,000	0.22	0.00	0.00
14	Lloyds Metals and Minerals Trading LLP	53,24,213	4.78	0.00	2,16,98,426	9.75	0.00	4.97

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

Sr. No.	Name of Promoter	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of total Shares of the Company	No. of Shares*	% of total Shares of the Company
1.	Lloyds Metals and Minerals Trading LLP	53,24,213*	4.78	1,06,48,426	4.78
	<i>Acquired during the year</i>	1,10,50,000	4.97	2,16,98,426	9.75
2.	Shree Global Tradefin Limited	2,19,45,190	19.72	4,38,90,380	19.72
	<i>Sold during the year</i>	-1,50,00,000	-6.74	2,88,90,380	12.98
3.	Mukesh R. Gupta	3,53,650	0.32	7,07,300	0.32
	<i>Acquired during the year</i>	50,00,000	2.24	57,07,300	2.56
4.	Rajesh R. Gupta	3,45,860	0.31	6,91,720	0.31
	<i>Acquired during the year</i>	50,00,000	2.25	56,91,720	2.56
5.	Ravi Agarwal	13,65,000	1.23	27,30,000	1.23
	<i>Acquired during the year</i>	50,00,000	2.25	77,30,000	3.48

\*During the Financial Year 2016-17, Company has sub divide its Equity Shares from Face Value of ₹ 2 each to ₹1 each.

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

Sr No.	Top Ten Shareholders	Shareholding at the beginning of the Year		Shareholding at the end of the Year	
		No. of Shares	% of total Shares of the Company	No. of Shares*	% of total Shares of the Company
1	Halan Properties Pvt. Ltd.	87,61,500	7.87	80,23,000	3.6045
2	Uttam Exports Pvt. Ltd.	73,90,000	6.64	-	-
3	Premlata Harlalka	14,18,000	1.27	28,36,000	1.2741
4	Om Hari Halan HUF	11,07,726	0.99	-	-
5	Om Hari Mahabir Prasad Halan	0	0	20,98,717	0.9429
6	Narayan Hari Mahabir Prasad Halan	10,30,000	0.93	20,60,000	0.9255
7	Ajay Kumar Mahabir Prasad Halan	10,00,000	0.90	20,00,000	0.8985
8	Vibrant Global Capital Ltd.	8,37,173	0.75	-	-
9	Northwood Enterprises Limited	8,00,000	0.7188	16,00,000	0.7188
10	Highgate Investments Limited	8,00,000	0.7188	16,00,000	0.7188
11	Emmer Investments Limited	8,00,000	0.7188	16,00,000	0.7188
12	Orlando Investments Limited	8,00,000	0.7188	16,00,000	0.7188
13	Cosmos Corporation (Mauritius) Limited	8,00,000	0.7188	16,00,000	0.7188
14	Aron Enterprises Limited	8,00,000	0.7188	16,00,000	0.7188
15	Tradon Investments Limited	8,00,000	0.7188	16,00,000	0.7188
16	Sanjeev Garg	8,00,000	0.7188	16,00,000	0.7188

\*During the Financial Year 2016-17, Company has sub divide its Equity Shares from Face Value of ₹ 2 each to ₹ 1 each.

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

Sr. No.	For each of the Directors and KMP Name of the Director/KMP	Shareholding at the beginning of the Year		Shareholding at the end of the Year	
		No. of Shares	% of total Shares of the Company	No. of Shares*	% of total Shares of the Company
1	Mukesh R. Gupta	3,53,650	0.32	57,07,300	2.56
2	Rajesh R. Gupta	3,45,860	0.31	56,91,720	2.56

\*During the Financial Year 2016-17, Company has sub divide its Equity Shares from Face Value of ₹ 2 each to ₹1 each.

## V. INDEBTEDNESS

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

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

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total
		Mr. Babulal Agarwal Managing Director	
1.	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	24,00,000	24,00,000
	(b) Value of perquisites u/s 17 (2) of Income Tax Act	0	0
	(c) Profits in lieu of salary u/s 17 (3) of Income tax Act	0	0
2.	Stock Option	0	0
3.	Sweat Equity	0	0
4.	Commission - As % of profit - Others, specify	0	0
5.	Others, please specify Provident Fund & other Funds	1,44,000	1,44,000
	Performance Bonus	0	0
	<b>Total (A)</b>	<b>25,44,000</b>	<b>25,44,000</b>
	Ceiling as per the Act		84,00,000

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## B. Remuneration to other Director

Sl. No	Particulars of Remuneration	Name of Directors							Total Amount
		Mukesh R. Gupta	Rajesh R. Gupta	Shantanu Mohapatra	Jagannath Dange	B.R. Singh	Devidas Kambale	Bhagyam Ramani	
<b>1.</b>	<b>Independent Directors</b>								
	A. Fee for attending Board Committee meetings	-	-	18,000	10,000	20,000	20,000	10,000	78000
	B. Commission	-	-	-	-	-	-	-	-
	C. Others	-	-	-	-	-	-	-	-
	<b>Total (1)</b>	-	-	<b>18,000</b>	<b>10,000</b>	<b>20,000</b>	<b>20,000</b>	<b>10,000</b>	<b>78000</b>
<b>2.</b>	<b>Other Non-Executive Directors</b>								
	A. Fee for attending Board Committee meetings	18,000	8,000	-	-	-	-	-	26,000
	B. Commission	-	-	-	-	-	-	-	-
	C. Others	-	-	-	-	-	-	-	-
	<b>Total (1)</b>	<b>18,000</b>	<b>8,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,000</b>
	<b>Total = (1+2)</b>								<b>104,000</b>

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

Sr No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total
		CEO	CFO (Riyaz Shaikh)	Company Secretary (Nitesh Tanwar)	
1.	Gross Salary	Not Applicable			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act		20,20,668	6,71,206	26,91,874
	(b) Value of perquisites u/s 17 (2) of Income Tax Act		-	-	-
	(c) Profits in lieu of salary u/s 17 (3) of Income tax Act		-	-	-
2.	Stock Option		-	-	-
3.	Sweat Equity		-	-	-
4.	Commission - As % of profit - Others, specify		-	-	-
5.	Others, please specify Provident Fund & other Funds	1,32,108	40,296	1,72,404	
6.	Performance Bonus	-	-	-	
	<b>Total (C)</b>	<b>21,52,776</b>	<b>7,11,502</b>	<b>28,64,278</b>	

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

There were no Penalties / Punishment / Compounding of Offences for Financial Year ended 31<sup>st</sup> March, 2017

**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 2016-17 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 are as under:

Sr. No	Name of Director/ KMP and Designation	Remuneration of Director/KMP for Financial year 2016-17 (in ₹)	% increase in Remuneration in the Financial Year 2016-17	Ratio of Remuneration of each Director/ to median remuneration of employees
1.	Mr. Babulal Agarwal, Managing Director	25,44,000	NA	9.63
2.	Mr. Riyaz Shaikh, Chief Financial Officer	2,152,776	NA	Not Applicable
3.	Mr. Nitesh Tanwar, Company Secretary and Compliance Officer	7,11,502	41.75%	

Note: Except Key Managerial Personnel i.e. Managing Directors, Chief Financial Officer and Company Secretary, no other Directors received any remuneration from the Company other than Sitting Fees for attending Board Meetings and Committees Meetings.

- (ii) The median remuneration of Employees of the Company during the Financial Year was ₹ 2,64,216.  
 (iii) In the Financial Year, there was a decrease of 1.80 % in the median remuneration of Employees.  
 (iv) There were 330 permanent employees on the rolls of Company as on 31<sup>st</sup> March, 2017.  
 (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:  
 Details are not given as there was no increase or decrease in the salary of the employees.  
 (vi) It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

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

Sr. No.	Name	Designation	Age (in years)	Remuneration	Qualification	Experience (in years)	Last Employment Held	Commencement of Employment
01.	Mr. Arun Kumar Sharma*	CEO-Plant	50	29,50,361	MBA, IIMA	27	ARM Cement Limited	14.10.2016
02.	Mr. Deepak Mehta	Senior VP Production	50.5	27,36,000	B.E. - Civil	29.1	SKS Ispat & Power Limited	11.03.2011
03.	Mr. Babulal Agarwal	Managing Director	70	25,44,000	B.Com , LL.B.	48	-	NA
04.	Mr. Riyaz Shaikh	CEO	43	21,52,776	B.Com, PGDBA	24.1	Lloyds Steels	01.09.2012
06.	Mr. Dinesh Patidar	Senior Vice President	54.5	18,06,000	B.E. - Electrical	30	Uttam Galva Metallic Limited	12.09.2015
07.	Mr. Vinod Pandey	General Manager	46.8	17,61,276	B.E. - Electrical	23.2	M/s Crest Steel & Power (P) Limited	20.01.2011
05.	Mr. Kalpesh Agarwal	GM- Account & finance	37	16,10,004	B.Com, C.A.	14	Sunil Hitech Engineers Limited	21.07.2014
08.	Mr. Shyamal Jana	Deputy General Manager	45.5	14,80,944	Dip. - Metallurgy	20.8	Gopani Iron & Power (I) Pvt. Limited	01.02.2007
09.	Mr. Rajneesh Tripathi	Deputy General Manager	43.7	14,28,408	B.E. - Electronics	19.5	Adhunik Alloys & Power Limited	16.09.2005
10.	Mr. Sumit Agarwal	AGM - Finance	38	13,41,916	B.Com, C.A.	17	Uttam Value Steel Limited	16.03.2012

\* Mr. Arun Kumar Sharma, CEO-Plant was appointed with effect from 14<sup>th</sup> October, 2016.

**Notes:**

- Details of Employees who were:
  - 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- **None**
  - Employed for the 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**
- Except details of employees contained from serial no. 1 to 2 in the above table there was no other employee either 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.
- None of the above employees is a relative of any Director of the Company except Managing Director and hold share in the Company.

## REPORT ON CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR 2016-17

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

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

## 2. BOARD OF DIRECTORS

## Size and composition of the Board

The Board of Directors of the Company comprises of Eight (8) members, of which One(1) Executive Director, Two (2) are Non-Executive Directors and Five are Independent Directors. The Chairman of the Board is a Non-Executive Director. None of the Directors on the Board holds directorships in more than ten public Companies. Further, none of them is a Member of more than ten committees or Chairman of more than five Committees across all public Companies in which he/she is a director. The necessary disclosures regarding Committee positions have been made by the Directors. Mr. Babulal Agarwal is maternal uncle of Mr. Rajesh R. Gupta and Mr. Mukesh R. Gupta and Mr. Rajesh R. Gupta & Mr. Mukesh R. Gupta are brothers. None of the other Directors are related to each other.

## Memberships of other Boards / Board Committees

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

Table-1

Sr. No	Name and Designation (DIN)	Status/Category	Attendance in FY 2016-17		Number of Directorships in other Companies		Committee Membership and Chairmanship in other public \$		Shareholding in the Company
			Board Meetings (4 Meeting held)	AGM	Private	Public	Chairmanship	Membership	
1.	Mr. Mukesh R. Gupta Chairman (00028347)	Promoter and Non –Executive	4	Yes	-	-	-	-	57,07,300
2.	Mr. Rajesh R. Gupta Director (00028379)	Promoter and Non –Executive	4	Yes	-	1	-	-	56,91,720
3.	Mr. Babulal Agarwal Managing Director (00029389)	Promoter and Executive	4	Yes	-	-	-	-	-
4.	Mr. Shantanu Mohapatra Director (00176836)	Non Executive and Independent	4	Yes	-	1	-	1	-
5.	Mr. Devidas Kambale Director (00020656)	Non Executive and Independent	4	No	-	2	-	-	-
6.	Mr. Jagannath Dange Director (01569430)	Non Executive and Independent	4	Yes	1	3	-	-	-
7.	Dr. B.R. Singh Director (02843001)	Non Executive and Independent	4	Yes	1	-	-	-	-
8.	Mrs. Bhagyam Ramani Director (00107097)	Non Executive and Independent	4	No	2	7	-	4	-

**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.

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 Executive Directors (i.e. the Managing Director and the Executive 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 31<sup>st</sup> March, 2017. Both the Codes are posted on the website of the Company i.e. [www.lloyds.in](http://www.lloyds.in).

### Board Meeting

The Board meets at regular intervals to discuss and decide on Company's business policies and strategy apart from other regular business matters. Board Meetings are usually held at the Corporate Office of the Company at Mumbai. During the financial year ended on 31<sup>st</sup> March, 2017, **Four** Board Meetings were held on 14<sup>th</sup> April, 2016; 30<sup>th</sup> July, 2016; 24<sup>th</sup> October, 2016 and 19<sup>th</sup> January, 2019. Maximum time gap between two consecutive meetings had not exceeded 120 days.

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

### 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 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 is disclosed on the Company's website at [www.lloyds.in](http://www.lloyds.in).

## 3. BOARD COMMITTEES

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 has, from time to time, constituted the following Committees, namely:

### (I) AUDIT COMMITTEE

The Company had re-constituted an Audit Committee in board meeting held on 06<sup>th</sup> November, 2015 in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The broad terms of reference of the Audit Committee were:

#### Powers of the Audit Committee

- To investigate any activity within its terms of reference
- To seek information from any employee
- To obtain outside legal or other professional advice
- To secure attendance of outsiders with relevant expertise, if it considers necessary

#### Role of the Audit Committee, inter alia, includes the following

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- Recommending the appointment, remuneration and terms of appointment of statutory auditors including cost auditors of the Company
- Approving payment to statutory auditors, including cost auditors, for any other services rendered by them
- Reviewing with the management, the annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgement by the management;
  - Significant adjustments made in financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions; and
  - Modified opinions in draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
- Monitoring and reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds

## LLOYDS METALS AND ENERGY LIMITED

utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter

7. Reviewing and monitoring the auditors independence and performance, and effectiveness of audit process
8. Approval or any subsequent modification of transactions of the Company with related parties
9. Scrutiny of inter-corporate loans and investments
10. Valuation of undertakings or assets of the Company, wherever it is necessary
11. Evaluation of internal financial controls and risk management systems
12. Reviewing, with the management, the performance of statutory auditors and internal auditors, adequacy of internal control systems Formulating the scope, functioning, periodicity and methodology for conducting the internal audit
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
14. Discussion with internal auditors of any significant findings and follow-up thereon
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern
17. To look into the reasons for substantial defaults, if any, in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
18. To review the functioning of the Whistle Blower mechanism
19. Approval of appointment of the CFO (i.e. the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background, etc. of the candidate
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing the following information:
  - The Management Discussion and Analysis of financial condition and results of operations;
  - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

- Management letters/letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- Reviewing the appointment, removal and terms of remuneration of the Chief internal auditor / internal auditor(s)
- Statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

The scope of the Audit Committee has been in compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The composition of the Audit Committee and the details of meetings attended by the Directors during FY 2016-17, are given below in **Table - 2**.

**Table - 2**

Sr. No	Name of Directors	Status	Category	Meetings held (4 Meetings Held)	Meetings Attended
1.	Mr. Shantanu Mohapatra	Chairman	Non-executive & Independent	4	4
2.	Mr. Mukesh R. Gupta	Member	Non-executive & Non Independent	4	4
3.	Mr. Devidas Kambale	Member	Non-executive & Independent	4	4
4.	Dr. B. R. Singh	Member	Non-executive & Independent	4	4

The chairman of the Audit Committee, Mr. Shantanu Mohapatra, was present at the Thirty-Ninth Annual General Meeting held on 10<sup>th</sup> June, 2016.

**Dates of Audit Committee meeting:** Four Audit Committee meeting were held during the year 2016-17 vis. 14<sup>th</sup> April, 2016; 30<sup>th</sup> July, 2016; 24<sup>th</sup> October, 2016 and 19<sup>th</sup> January, 2019.

Audit Committee meetings are attended by the Chief Financial Officer and the Head (Internal Audit). The Statutory Auditors are invited to each meeting and the Managing Director/other persons are invited to the meetings as and when required. The Company Secretary acts as the Secretary of the Audit Committee. The necessary quorum was present at the meetings.

## (ii) NOMINATION AND REMUNERATION COMMITTEE

The Board at its meeting held on 06<sup>th</sup> November, 2015, reconstituted the Remuneration Committee as 'Nomination and Remuneration Committee' with the scope as prescribed under the provisions of Section 178 of the Companies Act, 2013.

**Terms of Reference of the Committee, inter alia, includes the following:**

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal
- **To carry out evaluation of every Director's performance**
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees

- To formulate the criteria for evaluation of Independent Directors and the Board
- To decide whether to extend or continue the term of appointment of Independent Director, on the basis of the report of performance evaluation of independent directors.
- To devise a policy on Board diversity
- To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable;

The composition of the Nomination and Remuneration Committee and the details of meetings attended by the Directors are given below in **Table - 3**.

**Table – 3**

Sr. No	Name of Directors	Status	Category	Meetings held (1 Meetings Held)	Meetings Attended
1.	Dr. B. R. Singh	Chairman	Non-executive & Independent	1	1
2.	Mr. Devidas Kambale	Member	Non-executive & Independent	1	1
3.	Mr. Mukesh R. Gupta	Member	Non-executive & Non Independent	1	1

**Meeting Details:** During the year under review one (1) meeting of the Nomination and Remuneration Committee was held on 19<sup>th</sup> January, 2017

### Remuneration of Directors:

S. No	Name of the Director	Salary	Perquisites and allowances	Performance Linked Incentive	Sitting Fees\$	Total	Stock options granted
1.	Mr. Babulal Agarwal*	25,44,000	-	-	-	<b>25,44,000</b>	-
2.	Mr. Mukesh R. Gupta	-	-	-	18000	<b>18,000</b>	-
3.	Mr. Rajesh R. Gupta	-	-	-	8,000	<b>8,000</b>	-
4.	Mr. Shantanu Mohapatra	-	-	-	18,000	<b>18,000</b>	-
5.	Mr. Devidas Kambale	-	-	-	20,000	<b>20,000</b>	-
6.	Mr. Jagannath Dange	-	-	-	10,000	<b>10,000</b>	-
7.	Mr. B.R. Singh	-	-	-	20,000	<b>20,000</b>	-
8.	Mrs. Bhagyam Ramani	-	-	-	10,000	<b>10,000</b>	-

\* The tenure of office of the Mr. Babulal Agarwal, Managing Director is for three years from 1<sup>st</sup> January, 2015 to 31<sup>st</sup> December, 2017. There is no provision for notice period and payment of severance fees.

\$ The Non Executive Directors are paid only sitting fees on the recommendation of Nomination and Remuneration Committee.

**Note: There were no pecuniary relationships or transactions of Non-Executive Directors vis-a-vis the Company. The Company has not granted any stock option to any of its Non-Executive Directors.**



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## Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and in compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Key Managerial Personnel. The Directors expressed their satisfaction with the evaluation process.

## Appointment and remuneration policy for Directors, Key Managerial Personnel and Senior Management

The Nomination and Remuneration Committee ("NRC") has adopted a policy which, inter alia, deals with the manner of selection of Board of Directors, Managing Director/Executive Director, other Key Managerial Personnel and their remuneration. The details of the policy disclosed on the website of the Company at [www.lloyds.in](http://www.lloyds.in).

## (III) STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Board at its meeting held on 15<sup>th</sup> October, 2014, reconstituted the "Shareholders' Grievance Committee" as "Stakeholders' Relationship Committee" in compliance with the provisions of Section 178 of the Companies Act, 2013, for redressal of Shareholders' grievances like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend etc. The Committee meets the requirements as specified in the composition of the Stakeholders' Relationship Committee and the details of composition of committee are given below in **Table - 4**.

**Table - 4.**

Sr. No	Name of Directors	Status	Category
1.	Dr. B. R. Singh	Chairman	Non-executive & Independent
2.	Mr. Devidas Kambale	Member	Non-executive & Independent
3.	Mr. Mukesh R. Gupta	Member	Non-executive & Non Independent

<b>Name, Designation and address of Compliance officer</b>	<b>Mr. Nitesh Tanwar</b> Company Secretary & Compliance Officer 16 <sup>th</sup> Floor, C-Wing, Kamla City, Senapati Bapat Marg, Lower Parel, Mumbai -400013 Phone: 022-30148263 E-Mail: <a href="mailto:nrtanwar@lloyds.in">nrtanwar@lloyds.in</a>
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## Report on number of shareholder complaints received and resolved by the Company during the year ended March 31, 2017 :

No. of Complaints pending as on 1 <sup>st</sup> April, 2016.	01
No. of Complaints identified and reported during FY 2016-17	10
No. of Complaints disposed of during the year ended 31 <sup>st</sup> March, 2017	11
No. of pending complaints as on 31 <sup>st</sup> March, 2017	0

## 4. SUBSIDIARY COMPANY

There is no subsidiary Company.

## 5. GENERAL BODY MEETINGS

### A. Annual General Meeting

The Annual General Meetings of the Company during the preceding three years were held at registered office of the Company at **Plot No. A 1-2, MIDC Area, Ghugus, Dist – Chandrapur, 442 505, Maharashtra** on the following dates and times, wherein the following special resolutions were passed:

AGM	Year	Date, Day & Time	Brief Description of Special Resolution
37 <sup>th</sup>	2013-2014	30 <sup>th</sup> July, 2014 Wednesday, 12.30 P.M.	Re-appointment of Mr. Babulal Agarwal as Managing Director of the Company for a period of three years with effect from 1 <sup>st</sup> January, 2015.
38 <sup>th</sup>	2014-2015	10 <sup>th</sup> August, 2015 Monday, 12.30 P.M.	No Special resolution was passed.
39 <sup>th</sup>	2015-2016	10 <sup>th</sup> June, 2016 Friday, 12.30 P.M.	1. Sub-division of Equity Shares from the Face Value of ₹ 2/- per share to Face Value of ₹ 1/- per share. 2. Alteration of the Capital Clause of Memorandum of Association of the Company.

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

No Extra Ordinary General Meeting (EGM) was held during the last financial year i.e 2016-2017.

### C. Postal Ballot

No Special Resolution was passed through postal ballot during the last financial year i.e 2016-17. There is no immediate proposal for passing any resolution through Postal Ballot.

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

**6. MEANS OF COMMUNICATION**

Information like quarterly / half yearly / annual financial results and press releases on significant developments in the Company that have been made available from time to time, are hosted on the Company's website www.lloyds.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.

**7. GENERAL SHAREHOLDER INFORMATION**

7.1	<b>Annual General Meeting</b>	<b>Date : 19<sup>th</sup> September, 2017</b> <b>Time : 12.30 p.m.</b> <b>Venue: Plot No. A 1-2, MIDC Area, Ghugus, Dist Chandrapur, 442 505, Maharashtra.</b>
7.2	<b>Financial Year</b>	1 <sup>st</sup> April, 2016 to 31 <sup>st</sup> March, 2017
7.3	<b>Financial calendar</b>	Approval of quarterly results: April, July, October and January. Annual General Meeting in July/August/September
7.4	<b>Date of Book Closure</b>	<b>12<sup>th</sup> September, 2017 to 19<sup>th</sup> September, 2017</b>
7.5	<b>Dividend Payment Date</b>	No Dividend was declared during the financial year 2016-17.
7.6	<b>Listing on Stock Exchanges</b>	Equity Shares BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 Stock Code: 512455, ISIN No.: INE281B01032
7.7	<b>Annual listing fee</b>	Annual listing fee for the year 2017-18 shall be paid to BSE within due date.
7.8	<b>Correspondence Address</b>	Trade World, "C" Wing, 16th Floor, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai-400 013. Tel.No. 3041 8111. Fax No. 3041 8260

**7.9 Stock Market Price Data – BSE**

The monthly movement of equity Share Price on Bombay Stock Exchange			
2016-2017	Share Price (In ₹)		BSE Sensex
Months	High	Low	Close
April	34.95	19.20	25,606.62
May	29.45	22.60	26,667.96
June	34.20	20.00	26,999.72
July	32.30	13.20	28,051.86
August	17.00*	12.51	28,452.17
September	17.40	12.80	27,865.96
October	15.30	11.30	27,930.21
November	20.40	12.82	26,652.81
December	14.79	09.05	26,626.46
January	14.76	10.40	27,655.96
February	19.24	13.91	28,743.32
March	18.70	14.60	29,620.50

\*From the month of August 2017 onward the members of the Company in the Annual General Meeting held on 10<sup>th</sup> June, 2016 approved the Sub Division of each Equity Shares of the Company having Face Value of ₹ 2 each into 2 Equity Shares of ₹ 1 each.

**7.10 Registrar and Share Transfer Agent  
Bigshare Services Private Limited**

1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (E), Mumbai - 400059,  
Phone : 022-40430200, Fax : 022-28475207, E-mail : investor@bigshareonline.com

**7.11 Share Transfer System**

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

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## 7.12 Reconciliation of Share Capital Audit

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

## 7.13 Distribution of Shareholding

The shareholding distribution of equity shares as on 31<sup>st</sup> March, 2017 is given hereunder: (Nominal value of each share ₹ 1/-)

NO. OF SHAREHOLDERS	% OF TOTAL	SHARE HOLDING	NO OF SHARES *	% OF TOTAL
12296	95.38	1-5000	1,30,96,909	5.8841
236	1.83	5001-10000	18,47,139	0.8299
113	0.88	10001-20000	17,24,999	0.7750
46	0.36	20001-30000	11,39,070	0.5118
31	0.24	30001-40000	10,93,598	0.4913
31	0.24	40001-50000	14,57,952	0.6550
47	0.36	50001-100000	33,63,538	1.5111
91	0.71	100001 AND ABOVE	19,88,59,375	89.3418
<b>12891</b>	<b>100.00</b>	<b>Total</b>	<b>22,25,82,580</b>	<b>100.0000</b>

**Note:-** \*Excludes 3,97,875 forfeited shares of ₹ 10 each.

## 7.14 Categories of Shareholders (as on 31<sup>st</sup> March, 2017)

The categories of shareholders are shown hereunder:

CATEGORY	NO OF SHAREHOLDERS	NO OF SHARES	% OF HOLDING
PROMOTERS	14	139,869,074	62.8392
BANK / FINANCIAL INSTITUTIONS	3	17,000	0.0076
MFs & UTI	2	7,000	0.0031
FII/ NRI /OCB's	350	16,011,679	7.1936
CLEARING MEMBERS	67	1,161,892	0.5220
CORPORATE BODIES	158	17,407,386	7.8206
CORPORATE BODIES NBFC	1	250,000	0.1123
PUBLIC	12,296	47,858,549	21.5015
<b>TOTAL</b>	<b>12,891</b>	<b>222,582,580</b>	<b>100.0000</b>

## 7.15 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, Dematerialisation 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 31<sup>st</sup> March, 2017, 216,242,370 shares were held in Dematerialized form which constitutes Approx. 97.15% of total number of subscribed shares.

## 7.16 Liquidity

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

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

## 7.18 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 2016-17

**7.19 Commodity price risk or foreign exchange risk and hedging activities:**

Not applicable

**7.20 Top Ten Shareholders across all categories as on 31<sup>st</sup> March, 2017 :**

Sr. No.	NAME OF SHAREHOLDERS	NO OF SHARES	% OF HOLDING
1	Asp Technologies Private Limited	3,64,00,340	16.3536
2	Triumph Trade & Properties Developers Private Limited	2,91,58,208	13.1000
3	Shree Global TradeFin Limited	2,88,90,380	12.9796
4	Lloyds Metals And Minerals Trading LLP	2,16,98,426	9.7485
5	Halan Properties Private Limited	80,23,000	3.6045
6	Ravi Agarwal	77,30,000	3.4729
7	Mukesh R Gupta	57,07,300	2.5641
8	Rajesh R Gupta	56,91,720	2.5571
9	Premalata Harlalka	28,36,000	1.2741
10	Om Hari Mahabir Prasad Halan	20,98,717	0.9429

**7.21 Plant & Registered office:**

**Sponge Iron & Power Plant**  
Plot No. A-1/2, MIDC Area, Ghugus,  
Dist. Chandrapur- 442 505. Maharashtra.

**7.22 Address for Correspondence**

**Investor Correspondence:** For transfer / dematerialisation of shares, payment of dividend on shares, interest and redemption of debentures, and any other query relating to the shares and debentures of the Company.

**Bigshare Services Private Limited**

1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (E), Mumbai - 400059, Tel No. – 022 – 4043 0200, Fax No. – 022 – 2847 5207  
E-mail: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

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

Trade World, 'C' wing, 16<sup>th</sup> Floor, Senapati Bapat Marg, Lower Parel (W), Mumbai- 400 013.  
Tel. No. 022-3041 8263, Fax No. 022-3041 8260  
E mail: [investor@lloyds.in](mailto:investor@lloyds.in)

**8. 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.lloyds.in](http://www.lloyds.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 three years : None****c. Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee:**

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

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

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

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

**e. Web link where policy for determining material subsidiaries is disclosed:** Not Applicable**f. Weblink where policy on dealing with Related Party Transactions:**

<http://www.lloyds.in/images/Policy-on-Materiality-of-Related-Party-Transaction.pdf>

**g. Disclosure of Commodity Price risks and commodity hedging activities:** Not Applicable**h. Green Initiative**

Pursuant to section 101 and 136 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and Companies (Accounts) Rules, 2014, the Company can send Notice of Annual General Meeting, financial statements and other Communication in electronics forms. This Company is sending the Annual Report including the Notice of Annual General Meeting, Audited Financial Statements, Directors Report, Auditors Report along with their annexure etc. for the financial year 2016-17 in the electronic mode to the shareholders who have registered their e-mail ids with the Company and/or their respective Depository Participates (DPS).

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

**9. 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.

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

Complied wherever applicable.

**11. Disclosure by key managerial personnel about related party transactions:**

There was no related party transactions during the financial year ended 31<sup>st</sup> March, 2017.

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.lloyds.in](http://www.lloyds.in)

**12. Disclosure of Accounting Treatment**

The applicable Accounting Standards as issued by the Institute of Chartered Accountants of India and notified by the Central Government under Companies (Accounting Standards) Rules, 2006 as amended from time to time, have been followed in preparation of the financial statements of the Company.

**13. Proceeds from public issues, rights issues, preferential issues etc.**

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

**14. 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 Exchange or SEBI or any statutory authority, on any matter relating to capital markets, during the last three years.

**15. Management Discussion & Analysis Report**

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

**16. 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 following details in its annual report, as long as there are shares in the unclaimed suspense account. The details of Lloyds Metals and Energy Limited unclaimed suspense account are as follows:-

SR. NO.	PARTICULARS	DEMAT	
		NUMBER OF SHAREHOLDERS	NUMBER OF EQUITY SHARES
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	1,573	8,71,750

SR. NO.	PARTICULARS	DEMAT	
		NUMBER OF SHAREHOLDERS	NUMBER OF EQUITY SHARES
2	Number of shareholders who approached listed entity for transfer of shares from suspense account before sub-division of shares from face value of ₹ 2 to ₹ 1 per shares.	2	1,000
3	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the time of record date i.e. 27 <sup>th</sup> July, 2016	1,571	8,70,750
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying after sub-division of shares from face value of ₹ 2 to ₹ 1 per shares	1,571	17,41,500
5	Number of shareholders who approached listed entity for transfer of shares from suspense account after sub-division of shares from face value of ₹ 2 to ₹ 1 per shares.	3	3,000
6	Number of shareholders to whom shares were transferred from suspense account during the year.	0	0
7	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	1,568	17,38,500

The voting rights on the shares in the unclaimed suspense accounts as on 31<sup>st</sup> March, 2017 shall remain frozen till the rightful owners of such shares claim the shares.

**17. CEO/CFO Certification**

The Managing Director and the Chief Financial Officer of the Company have given a certificate to the Board of Directors as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulation, for the year ended 31<sup>st</sup> March, 2017.

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

**Place : Mumbai  
Dated : 12<sup>th</sup> April, 2017**

**(Mukesh R. Gupta)  
Chairman**

**Auditors' Certificate regarding compliance of conditions of  
Corporate Governance**

**CEO/CFO CERTIFICATE  
[Regulation 17(8)]**

**To the Members of Lloyds Metals and Energy Limited**

We have examined the compliance of conditions of Corporate Governance by Lloyds Metals and Energy Limited, for the year ended on 31<sup>st</sup> March, 2017, as mentioned in Regulation 27 and other related Corporate Governance Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 of the said Company with stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as mentioned in Regulation 27 and other related Corporate Governance Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. 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 and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as mentioned in Regulation 27 and other related Corporate Governance Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

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

**For and on behalf of  
TODARWAL & TODARWAL  
Chartered Accountants**

**Kunal Todarwal  
Partner  
M. No. 137804**

**Date : 12<sup>th</sup> April, 2017  
Place : Mumbai**

**CERTIFICATE ON COMPLIANCE WITH CODE OF  
CONDUCT**

This Code has been laid down with a view to promote good corporate governance and exemplary personal conduct and is applicable to all the Directors and Senior Managerial Personnel of the Company. This Code is also available on the website of the Company [www.lloyds.in](http://www.lloyds.in).

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 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 2016-17.

**For and on behalf of the Board**

**Mr. Babulal Agarwal  
Managing Director**

**Place: Mumbai  
Date: 12<sup>th</sup> April, 2017**

To,

The Board of Directors

**Lloyds Metals and Energy Limited**

We hereby certify that we have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended 31<sup>st</sup> March, 2017 and that to the best of our knowledge and belief:

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

**Mr. Babulal Agarwal  
Managing Director  
DIN: 00029389  
Place: Mumbai  
Date : 12<sup>th</sup> April, 2017**

**Mr. Riyaz Shaikh  
Chief Financial Officer**

# LLOYDS METALS AND ENERGY LIMITED

## **AUDITOR'S REPORT**

### **TO THE MEMBERS OF LLOYDS METALS AND ENERGY LIMITED**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of Lloyds Metals and Energy Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under section 133 of the Companies Act 2013 and Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence, on a test basis, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the

manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. We have inquired into the matters specified under section 143(1) and based on the information and explanations given to us, there is no matter to be reported under this section.
3. As required by section 143(3) of the Act, we report that:
  - a) We have 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 appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) In our opinion and based on the information and explanations given to us, there are no financial transactions or matters which have any adverse effect on the functioning of the Company.
  - f) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of subsection (2) of Section 164 of the Companies Act, 2013.
  - g) There is no qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith.
  - h) The Company has adequate internal financial controls system in place and there is an operating effectiveness of such controls. A report as Annexure II giving our responsibilities and opinion has been annexed herewith.

- i) Such other matters as are prescribed by the Companies (Audit and Auditors) Rules, 2014 namely:-
- i. The Company has disclosed the impact, if any, of pending litigations on its financial position in its financial statements.
  - ii. The Company has made provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
  - iii. There has been no any delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and these are in accordance with the books of accounts maintained by the Company.

**For and on behalf of**

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

**Mala Todarwal  
Partner  
M. No. : 134571**

## ANNEXURE I TO AUDITORS' REPORT

**[Referred to in above the Auditor's Report of even date to the Lloyds Metals and Energy Limited on the Financial Statements for the year ended 31<sup>st</sup> March 2017]**

- 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 and on verification, the title deeds of immovable properties are held in the name of the Company except for the ones kept as collateral security against the Cash Credit limit given by PMC Bank of ₹20 crores below:

Plot no A-1, Ghugus Industrial Area, Dist Chandrapur admeasuring 40,000 sq mtr

Plot no A-2, Ghugus Industrial Area, Dist Chandrapur admeasuring 8,95,200 sq mtr

2. As per the information provided to us, Inventory has been physically verified by the management during the year and no material discrepancies were noticed.
3. (a) According to information and explanation given to us, the Company has not granted any secured or unsecured loans to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.

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

4. In our opinion and according to information and explanation given to us, the Company has, in respect of loans, investments, guarantees, and security provisions, complied with section 185 and 186 of the Companies Act, 2013.
5. According to the information and explanation given to us, the Company has not accepted any deposits, whether the directives issued by the Reserve Bank of India, and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013. Hence the provisions of clause 3(v) are not applicable to the Company.
6. Pursuant to the rules made by the Central Government, the maintenance of Cost Records have 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, Sales Tax, Service tax, Custom duty, Excise duty, Value added tax, Cess and other statutory dues, if any, applicable to it, has been regularly deposited with the appropriate authorities.
- (b) According to the records of the Company, the disputed dues in respect of Excise Duty of ₹597.94 lacs (Previous year ₹5.20 Lakhs) and Sales Tax ₹1.03 lakhs (Previous year ₹1.03 lakhs) as at March 31<sup>st</sup>, 2017 have not been deposited with appropriate authorities and no provision has been made for the same:



# LLOYDS METALS AND ENERGY LIMITED

Sr. No.	Name of the Statute	Amount (In Lacs)	Forum where dispute is pending
1	The Central Excise Act, 1944	5.20	Supreme Court
2.	The Central Excise Act, 1944	584.45	CESTAT, Mumbai
3	The Central Excise Act, 1944	8.29	Commissioner (Appeal) Nagpur
4	The Central Sales Act, 1956	1.03	Joint Commissioner - Sales Tax
	<b>Total</b>	<b>598.97</b>	

8. In our opinion and according to the information and explanation given to us and the books of accounts verified by us, the Company has not defaulted in repayment of dues to a financial institution, bank, Government or dues to debenture holders.
9. As per information given to us, no money was raised by way of initial public offer or further public offer (including debt instruments) nor have any fresh term loans been taken by the Company during the year. Hence the provisions of clause 3(ix) are not applicable to the Company.
10. During the course of our examination of the books of account carried in accordance with the generally accepted auditing standards in India, we have neither come across any instance of fraud on or by the Company, either noticed or reported during the year, nor have we been informed of such case by the Management.
11. According to the information and explanation given to us and the books of accounts verified by us, the Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. The Company is not a Nidhi Company, hence the provision of clause 3(xii) are not applicable to the Company.
13. According to the information and explanation given to us, there are no transactions with the related parties.
14. According to information and explanation given to us, the Company during the year, has not made any preferential allotment or private placement of shares or fully or partly convertible debentures, hence the provision of clause 3(xiv) are not applicable to the Company.
15. According to the information and explanation given to us and the books of accounts verified by us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For and on behalf of**  
**Todarwal & Todarwal**  
**Chartered Accountants**  
**ICAI Reg No : 111009W**

**Mala Todarwal**  
**Partner**  
**M. No. : 134571**

**Dated : 12<sup>th</sup> April, 2017**  
**Place: Mumbai**

## ANNEXURE II TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF LLOYDS METAL AND ENERGY LIMITED AS ON 31<sup>ST</sup> MARCH 2017

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

To the Members of Lloyds Metal and Energy Limited

We have audited the internal financial controls over financial reporting of Lloyds Metal and Energy Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone 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. 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 the 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.

### **Auditor's 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

## **Meaning of Internal Financial Controls Over Financial Reporting**

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

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion

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

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 and on behalf of  
Todarwal & Todarwal  
Chartered Accountants  
ICAI Reg No : 111009W**

**Mala Todarwal  
Partner  
M. No. : 134571**

**Dated : 12<sup>th</sup> April, 2017  
Place: Mumbai**

LLOYDS METALS AND ENERGY LIMITED  
**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2017**

(₹ in Lakhs)

		Note No	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	
I.	<b>EQUITY &amp; LIABILITIES</b>				
	<b>SHARE HOLDER'S FUND</b>				
	(a)	Share Capital	1	2,243.05	2,243.05
	(b)	Reserves and Surplus	2	4,556.02	3,954.00
				<b>6,799.07</b>	6,197.05
	<b>NON-CURRENT LIABILITIES</b>				
	(a)	Long-Term Borrowings	3	929.06	1,004.41
	(b)	Other Long Term Liabilities	4	33,116.47	31,642.02
	(c)	Long-Term Provisions	5	410.52	387.30
				<b>34,456.05</b>	33,033.72
	<b>CURRENT LIABILITIES</b>				
	(a)	Trade Payables	6	5,988.56	6,406.71
	(b)	Short Term Borrowings	7	1,653.35	193.49
	(c)	Other Current Liabilities	8	1,408.10	495.03
				<b>9,050.01</b>	7,095.23
<b>TOTAL</b>			<b>50,305.13</b>	46,326.00	
II.	<b>ASSETS</b>				
	<b>NON-CURRENT ASSETS</b>				
	(a)	Fixed Assets	9	31,988.82	29,265.94
	(i)	Tangible Assets			
	(ii)	Capital Work-in-Progress			
				<b>32,834.70</b>	29,991.58
	(b)	Non-Current Investments	10	13.15	13.15
	(c)	Long-Term Loans and Advances	11	3,882.20	3,881.02
				<b>36,730.05</b>	33,885.75
	<b>CURRENT ASSETS</b>				
	(a)	Inventories	12	6,813.68	5,654.10
	(b)	Trade Receivables	13	1,094.64	2,172.10
	(c)	Cash and Cash Equivalents	14	816.06	747.35
	(d)	Short-Term Loans and Advances	15	4,850.71	3,866.70
				<b>13,575.08</b>	12,440.25
<b>TOTAL</b>			<b>50,305.13</b>	46,326.00	
<b>Summary of Significant Accounting Policies</b>		22			

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

As per our Report of even date attached

**For and on behalf of  
TODARWAL & TODARWAL**

Chartered Accountants  
ICAI Reg. No. : 111009W

**MALA TODARWAL**  
Partner  
M.No. 134571

**Date** : 12<sup>th</sup> April, 2017

**Place** : Mumbai

**For and on behalf of the Board**

**BABULAL AGARWAL**  
Managing Director  
DIN: 00029389

**NITESH TANWAR**  
Company Secretary

**MUKESH R. GUPTA**  
Director  
DIN: 00028347

**RIYAZ SHAIKH**  
Chief Financial Officer

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

(₹ in Lakhs)

	Note No	Year Ended 31 <sup>st</sup> March, 2017	Year Ended 31 <sup>st</sup> March, 2016
<b>INCOME</b>			
I.	16	43,762.82	40,807.38
		3,204.93	3,120.40
		40,557.89	37,686.98
II.	17	1,392.11	1,411.21
III.		41,950.00	39,098.19
<b>EXPENSES:</b>			
IV.			
(a)		28,239.69	26,862.98
(b)		5,813.57	7,221.38
(c)	18	(774.32)	(2,444.21)
(d)	19	1,526.66	1,342.11
(e)	20	4,225.91	3,386.17
(f)	21	1,016.39	969.98
(g)		1,222.57	1,064.74
(h)		74.76	-
(i)		2.75	-
		41,347.98	38,403.14
V.		602.02	695.05
VI.		(0.00)	622.93
VII.		602.03	72.12
VIII.		-	-
IX.		602.03	72.12
X.		-	-
XI.		602.03	72.12
XII.		602.03	72.12
<b>Earnings per Equity Share:</b>			
		0.54	0.06
		0.54	0.06
<b>Summary of Significant Accounting Policies</b>		22	

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

As per our Report of even date attached

**For and on behalf of  
TODARWAL & TODARWAL**

Chartered Accountants  
ICAI Reg. No. : 111009W

**MALA TODARWAL**  
Partner  
M.No. 134571

**Date** : 12<sup>th</sup> April, 2017  
**Place** : Mumbai

**For and on behalf of the Board**

**BABULAL AGARWAL**  
Managing Director  
DIN: 00029389

**NITESH TANWAR**  
Company Secretary

**MUKESH R. GUPTA**  
Director  
DIN: 00028347

**RIYAZ SHAIKH**  
Chief Financial Officer

LLOYDS METALS AND ENERGY LIMITED

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

(₹ in Lakhs)

		Year Ended 31 <sup>st</sup> March, 2017		Year Ended 31 <sup>st</sup> March, 2016	
<b>A.</b>	<b>CASH FLOW FROM OPERATION ACTIVITIES :</b>				
	<b>Net Profit before Tax and Extraordinary Items</b>		<b>602.03</b>		<b>72.12</b>
	Adjustments for:				
	Depreciation	<b>1,222.57</b>		<b>1,064.74</b>	
	Loss / (Profit) on Sale of Fixed Assets (Net)	<b>1.28</b>		<b>0.57</b>	
	Interest Income	<b>(169.21)</b>		<b>(68.44)</b>	
	Interest Expense	<b>1,016.39</b>		<b>969.98</b>	
			<b>2,071.03</b>		<b>1,966.85</b>
	<b>Operating Profit before working capital changes</b>		<b>2,673.06</b>		<b>2,038.98</b>
	Adjustments for:				
	Trade Receivables		<b>1,077.46</b>		<b>70.51</b>
	Long-Term Loan and Advances		<b>(1.18)</b>		<b>14.78</b>
	Short-Term Loan and Advances		<b>(969.04)</b>		<b>1,184.13</b>
	Inventories		<b>(1,159.57)</b>		<b>(2,582.90)</b>
	Trade Payables Long Term		<b>-</b>		<b>-</b>
	Trade Payables Short Term		<b>2,516.17</b>		<b>3,811.72</b>
	Long-Term Provision		<b>-</b>		<b>-</b>
	Other Liabilities		<b>936.30</b>		<b>25.43</b>
	<b>Cash generated from operations</b>		<b>5,073.19</b>		<b>4,562.64</b>
	TDS (Paid) /Refunded		<b>(14.98)</b>		<b>25.42</b>
	Taxes Paid		<b>-</b>		<b>-</b>
	<b>Cash Flow before extraordinary items</b>		<b>5,058.21</b>		<b>4,588.07</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>				
	Purchase of Fixed Assets		<b>(4,069.45)</b>		<b>(3,414.67)</b>
	Sale of Fixed Assets		<b>2.50</b>		<b>0.31</b>
	Sale of Investment		<b>(0.00)</b>		<b>(4.99)</b>
	Interest Received		<b>169.21</b>		<b>68.44</b>
	<b>Net cash used in investing activities</b>		<b>(3,897.74)</b>		<b>(3,350.91)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>				
	Increase \ (Decrease) in Unsecured Loan		<b>(54.29)</b>		<b>2.12</b>
	Reduction in Loans		<b>(21.06)</b>		<b>(538.19)</b>
	Interest Paid		<b>(1,016.39)</b>		<b>(969.98)</b>
	<b>Net cash from financing activities</b>		<b>(1,091.75)</b>		<b>(1,506.05)</b>
	<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>68.71</b>		<b>(268.90)</b>
	Cash and cash equivalents as at 01.04.2016		<b>747.35</b>		<b>1,016.25</b>
	Cash and cash equivalents as at 31.03.2017		<b>816.06</b>		<b>747.35</b>
	<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>68.71</b>		<b>(268.90)</b>
<b>Components of cash and cash equivalents</b>					
	Cash on hand		<b>11.92</b>		<b>28.27</b>
	Balance with Schedule Banks in : Current account		<b>11.68</b>		<b>24.81</b>
	In Margin Account (Including FDR)		<b>792.46</b>		<b>694.27</b>
	<b>Total cash and cash equivalents</b>		<b>816.06</b>		<b>747.35</b>

**Notes:**

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

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

As per our Report of even date attached

**For and on behalf of**  
**TODARWAL & TODARWAL**  
Chartered Accountants  
ICAI Reg. No. : 111009W

**MALA TODARWAL**  
Partner  
**M.No. 134571**

**Date** :12<sup>th</sup> April, 2017

**Place** : Mumbai

**For and on behalf of the Board**

**BABULAL AGARWAL**  
Managing Director  
DIN: 00029389

**MUKESH R. GUPTA**  
Director  
DIN: 00028347

**NITESH TANWAR**  
Company Secretary

**RIYAZ SHAIKH**  
Chief Financial Officer

## NOTES TO THE FINANCIAL STATEMENTS

## Note No. 1

## SHARE CAPITAL

(₹ in Lakhs)

Particular	As at 31.03.2017	As at 31.03.2016
<b>AUTHORISED</b>		
<b>Equity Shares :</b>		
750,000,000 Equity Shares of ₹ 1/- each (Previous Year 37,50,00,000 Equity Shares of ₹ 2/- each)	7,500.00	7,500.00
<b>Preference Shares :</b>		
2,50,00,000 Preference Shares of ₹ 10/- each (Previous Year 2,50,00,000 Equity Shares of ₹ 10/- each)	2,500.00	2,500.00
<b>Total</b>	<b>10,000.00</b>	<b>10,000.00</b>
<b>ISSUED, SUBSCRIBED &amp; FULLY PAID UP</b>		
<b>Equity Shares :</b>		
222,582,580 Equity Shares of ₹ 1/- each (Previous Year 11,12,91,290 Equity Shares of ₹ 2/- each fully paid up)	2,225.83	2,225.83
3,97,875 Forfeited Equity Shares of ₹ 10/- each (Amount originally paid-up) (Previous Year 3,97,875 Shares)	17.22	17.22
<b>Total</b>	<b>2,243.05</b>	<b>2,243.05</b>

## Notes :

1	<b>Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period:</b>				
	31 <sup>st</sup> March, 2017		31 <sup>st</sup> March, 2016		
	Equity Shares	In Nos.	Amount (In ₹)	In Nos.	Amount (In ₹)
	At the beginning of the year	11,12,91,290	22,25,82,580	11,12,91,290	22,25,82,580
	Sub-Division of Equity Shares*	11,12,91,290	-	-	-
	Outstanding at the end of the year	22,25,82,580	22,25,82,580	11,12,91,290	22,25,82,580
	* The Company has Sub-Divide its Equity Shares from Face Value of ₹ 2/- per Shares to ₹ 1/- per Shares during the year 2016-2017.				
2	<b>Terms/rights attached to Equity Shares</b>				
	The Company has only one class of shares having a par value at ₹ 1/- per share. Each holder of Equity Shares is entitled to one vote per share.				
3	<b>Details of Shareholders holding more than 5 % shares in the Company</b>				
	31 <sup>st</sup> March, 2017		31 <sup>st</sup> March, 2016		
	Particulars	In Nos.*	% holding in the class	In Nos.*	% holding in the class
	<b>Equity Shares of ₹ 1/- each fully paid-up</b>				
	ASP Technologies Private Limited	3,64,00,340	16.35%	3,64,00,340	16.35%
	Shree Global Tradefin Limited	2,88,90,380	12.98%	4,38,90,380	19.72%
	Triumph Trade & Properties Developers Private Limited	2,91,58,208	13.10%	2,91,58,208	13.10%
	Lloyd Metals & Minerals Trading LLP	2,16,98,426	9.75%	1,06,48,426	4.78%

## Note No. 2

## RESERVES &amp; SURPLUS

(₹ in Lakhs)

Particular	As at 31.03.2017	As at 31.03.2016
<b>Capital Reserves</b>		
Balance as per the last financial statements		
Add : Addition during the year		
Less : Transferred to Profit & Loss Account	7,756.21	7,756.21
<b>Surplus/(Deficit) in the statement of profit &amp; loss</b>		
Balance as per the last financial statements	(3,802.22)	(3,874.34)
Total Reserve -Balance as per the last financial statements	3,954.00	3,881.88
<b>Profit / (Loss) for the year</b>	<b>602.00</b>	<b>72.12</b>
<b>Total</b>	<b>4,556.02</b>	<b>3,954.00</b>

## Note No. 3

## LONG TERM BORROWINGS

(₹ in Lakhs)

Particular	As at 31.03.2017	As at 31.03.2016
<b>SECURED</b>		
Indian Rupees Loan from Bank	-	-
Indian Rupee Loan from Financial Institutions	-	-
Vehicle Loan	4.71	25.78
Vehicle Loan From ICICI Bank - II	-	-
<b>II) Interest Accrued and Due</b>	-	-
<b>B) Working Capital Finance</b>		
From Banks	-	-
<b>Total</b>	<b>4.71</b>	<b>25.78</b>
<b>UNSECURED</b>		
<b>Other Loans and Advances</b>		
Sales Tax Deferral	924.34	978.63
<b>Net Long Term Borrowings</b>	<b>929.06</b>	<b>1,004.41</b>

## Note No. 4

## OTHER LONG TERM LIABILITIES

(₹ in Lakhs)

Particular	As at 31.03.2017	As at 31.03.2016
Creditors for Capital Goods	5,401.95	9,615.43
Others	25,329.74	19,564.40
Security Deposit from Customers	2,384.79	2,462.19
<b>Total</b>	<b>33,116.47</b>	<b>31,642.02</b>

## Note No 5

## LONG TERM PROVISIONS

(₹ in Lakhs)

Particular	As at 31.03.2017	As at 31.03.2016
Provision for Employee Benefits		
<b>Leave Encashment &amp; Gratuity</b>		
Gratuity	332.74	306.69
Leave Encashment	77.78	80.61
<b>Total</b>	<b>410.52</b>	<b>387.30</b>

# LLOYDS METALS AND ENERGY LIMITED

Note No. 6

## TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
Acceptances	3,086.44	3,490.46
<b>Sundry Creditors</b>		
Total outstanding dues of creditors other than Micro and Small Enterprises	2,902.12	2,916.25
<b>Total</b>	<b>5,988.56</b>	<b>6,406.71</b>

Note No. 7

## SHORT TERM BORROWING

(₹ in Lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
Loans from others parties	-	-
Cash Credit - PMC Bank	1,653.35	193.49
(Cash Credit from PMC Bank is Secured by Hypothecation of all the current assets of the Company and second charge on Fixed Assets of the Company)	1,653.35	193.49

NOTE NO : 9

## FIXED ASSETS

(₹ in Lakhs)

PARTICULARS	GROSS BLOCK				DEPRECIATION					NET BLOCK		
	AS AT 01.04.2016	ADDITIONS	DEDUCTIONS	SOLD/ DISCARDED	AS AT 31.03.2017	AS AT 01.04.2016	FOR THE YEAR	WRITTEN BACK	ADJ FOR RETAINED EARNING	AS AT 31.03.2017	AS AT 31.03.2017	AS AT 31.03.2016
FREE HOLD LAND	418.67	-	-	-	418.67	-	-	-	-	-	418.67	418.67
LEASEHOLD LAND	168.60	-	-	-	168.60	-	-	-	-	-	168.60	168.60
FACTORY BUILDING	2,421.84	-	-	-	2,421.84	872.63	71.78	-	-	944.40	1,477.44	1,549.21
STAFF RESIDENTIAL BUILDING	784.09	-	-	-	784.09	281.89	31.01	-	-	312.90	471.19	502.20
PLANT & MACHINERY	32,705.38	3,915.19	-	-	36,620.58	21,703.54	1,087.42	-	-	22,790.96	13,829.61	11,001.84
PLANT & MACHINERY-POWER	19,654.81	-	-	-	19,654.81	4,185.19	-	-	-	4,185.20	15,469.61	15,469.62
COMPUTERS	141.13	0.61	-	-	141.74	138.20	0.90	-	-	139.09	2.65	2.94
ELECTRICAL INSTALLATION	21.06	25.35	-	-	46.43	16.48	0.10	-	-	16.57	29.84	4.59
AIR CONDITIONERS	35.27	-	-	-	35.27	30.73	-	-	-	30.72	4.55	4.56
OFFICE EQUIPMENTS	24.29	3.85	-	-	28.14	19.93	4.64	-	-	24.57	3.57	4.36
FURNITURE & FIXTURES	99.62	4.22	-	-	103.85	53.04	6.57	-	-	59.61	44.24	46.58
MOTOR VEHICLES	161.66	-	-	10.62	151.04	68.87	20.16	6.84	-	82.19	68.85	92.79
<b>TOTAL</b>	<b>56,636.42</b>	<b>3,949.22</b>	<b>-</b>	<b>10.62</b>	<b>60,575.04</b>	<b>27,370.48</b>	<b>1,222.57</b>	<b>6.84</b>	<b>-</b>	<b>28,586.22</b>	<b>31,988.82</b>	<b>29,265.94</b>
Capital Work in Progress	725.65	194.99	74.76	-	845.88	-	-	-	-	-	845.88	725.65
<b>TOTAL</b>	<b>57,362.07</b>	<b>4,144.22</b>	<b>74.76</b>	<b>10.62</b>	<b>61,420.92</b>	<b>27,370.48</b>	<b>1,222.57</b>	<b>6.84</b>	<b>-</b>	<b>28,586.22</b>	<b>32,834.70</b>	<b>29,991.59</b>
PREVIOUS YEAR	57,049.51	164.69	-	1.26	57,212.93	25,219.05	1,067.19	13.69	33.56	26,306.12	30,906.81	

Note No. 8

## OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
Current maturities of Long Term borrowings - Financial Institutions	-	-
Current maturities of Long Term borrowings - VEHICLE LOAN	21.06	21.06
Advance from Customers	778.90	32.22
<b>Other Payables :</b>		
Duties & Taxes	334.80	232.20
Expenses Payable	258.94	202.25
Others	14.40	7.30
<b>Total</b>	<b>1,408.10</b>	<b>495.03</b>

Note No. 10

NON-CURRENT INVESTMENTS (At Cost)

(₹ in Lakhs)

Particulars	No. of Shares	Face value per Share (₹)	As at 31.03.2017	As at 31.03.2016
<b>Long Term (Trade)</b>				
<b>Equity Shares - Unquoted</b>				
<b>Investment in Others</b>				
(i) Gadchiroli Metals & Minerals Limited 19,000 Equity Shares of ₹ 10/- Each (Previous Year 19,000 Equity Shares of ₹ 10/- Each)	19,000.00	10.00	1.90	1.90
(ii) Vimala Infrastructure Pvt. Limited 500 Equity Shares of ₹ . 10/- Each ) (Previous Year 500 Equity Shares of ₹ 10/- Each)	500.00	10.00	1.25	1.25
(iii) Punjab & Maharashtra Co-Op Bank Limited 40,000 Equity Shares of ₹ 25/- Each) (Previous Year 40,000 Equity Shares of ₹ 25/- Each)	40,000.00	25.00	10.00	10.00
<b>TOTAL</b>			<b>13.15</b>	<b>13.15</b>

Note No. 11

LONG TERM LOANS AND ADVANCES

(₹ in Lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>(Unsecured, considered good unless otherwise stated)</b>		
Security Deposits	3,882.20	3,881.02
<b>TOTAL</b>	<b>3,882.20</b>	<b>3,881.02</b>

Note No. 12

INVENTORIES

(₹ in Lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
Raw Materials	1,796.02	1,357.39
Work-in Process	45.74	56.62
Finished Goods	2,197.21	1,345.03
Trading Goods	-	486.09
Stores, Spare Parts	1,009.31	1,062.66
Saleable Scrap & By products	875.70	493.38
Intangible Inventory - Energy Saving certificate	836.88	836.88
Intangible Inventory - Certified Emission Reduction (CER's)	52.83	16.06
<b>TOTAL</b>	<b>6,813.69</b>	<b>5,654.10</b>

Note No. 13

TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>(Unsecured unless otherwise stated)</b>		
<b>Unsecured</b>		
Outstanding for a period exceeding six months Considered Good	52.18	54.92
Other Debts <b>Considered Good</b>	52.18	54.92
	1,042.48	2,117.18
<b>TOTAL</b>	<b>1,094.66</b>	<b>2,172.10</b>

Note No. 14

CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Balances with Banks in :</b>		
In Current Accounts	11.68	24.81
In Margin Account (FDR)	792.46	694.27
Cash on hand	11.92	28.27
<b>TOTAL</b>	<b>816.06</b>	<b>747.35</b>

Note No. 15

SHORT TERM LOANS AND ADVANCES

(₹ in Lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>(Unsecured and Considered Good)</b>		
Amount recoverable in cash or kind or for value to be received	4,722.86	3,750.72
Other deposits	90.60	87.78
Tax deducted at source	37.25	28.20
<b>TOTAL</b>	<b>4,850.70</b>	<b>3,866.70</b>

Note No. 16

REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	Current Year 31.03.2017	Previous Year 31.03.2016
<b>Sale of Products</b>		
Finished Goods	36,319.01	32,046.33
Traded Goods	6,311.07	7,027.15
Less: Claims, Trade Discounts etc.	172.40	442.51
	42,457.69	38,630.97
<b>Other Operating Revenues</b>		
Saleable Scrap & By products	1,305.13	2,176.41
	43,762.82	40,807.38
Less : Excise Duty	3,204.93	3,120.40
<b>Total Net Revenue</b>	<b>40,557.89</b>	<b>37,686.98</b>



# LLOYDS METALS AND ENERGY LIMITED

## Note No. 17 OTHER INCOME

(₹ in Lakhs)

Particulars	Current Year 31.03.2017		Previous Year 31.03.2016	
	Interest Income on ;			
Bank Deposits	169.21		68.44	
From Customers and Others	-	169.21	-	68.44
Lease Rent Received		-		-
Industrial Promotion		1,189.55		1,340.16
Subsidy Refund				
Miscellaneous Receipts		14.79		0.35
Amount written back		18.57		2.27
<b>TOTAL</b>		<b>1,392.11</b>		<b>1,411.21</b>

## Note No. 18 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

(₹ in Lakhs)

Particulars	Current Year	Previous Year
	31.03.2017	31.03.2016
<b>OPENING STOCKS</b>		
Finished Goods	1,345.03	124.34
Work - in - process	56.62	63.37
Saleable Scrap & By products	493.36	322.58
Stock in Trade	1,339.03	279.53
	<b>3,234.04</b>	<b>789.84</b>
<b>LESS: CLOSING STOCKS</b>		
Finished Goods	2,197.21	1,345.03
Work - in - process	45.74	56.62
Saleable Scrap & By products	875.71	493.38
Stock in Trade	889.71	1,339.03
	<b>4,008.37</b>	<b>3,234.05</b>
<b>Net Change in Inventory</b>	<b>(774.32)</b>	<b>(2,444.21)</b>

## Note No. 19 EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	Current Year	Previous Year
	31.03.2017	31.03.2016
Salaries, Wages and Allowances	1,288.27	1,171.30
Employer's Contribution to Provident Fund and other Fund	92.40	84.94
Gratuity & Leave Encashment Expenses	56.66	11.47
Staff Welfare/ Workmen Expenses	65.33	50.40
Managerial Remuneration	24.00	24.00
<b>TOTAL</b>	<b>1,526.66</b>	<b>1,342.11</b>

## Note No. 21 FINANCE COSTS

(₹ in Lakhs)

Particulars	Current Year	Previous Year
	31.03.2017	31.03.2016
<b>Interest Expenses :</b>		
Fixed Loans	69.08	65.42
Others	180.28	90.40
<b>Finance Charges :</b>		
Bills Discounting Charges	748.40	770.56
Bank Charges & Commission	2.78	8.09
Others	15.85	35.51
<b>TOTAL</b>	<b>1,016.39</b>	<b>969.98</b>

## Note No. 20

### MANUFACTURING & OTHER EXPENSES

(₹ in Lakhs)

Particulars	Current Year 31.03.2017		Previous Year 31.03.2016	
	<b>Manufacturing Expenses</b>			
Consumables of Stores & Spares		456.59		266.31
Power & Fuel		947.27		817.87
Misc. Exp. For Production		1,052.47		760.84
Fuel & Gases		50.34		28.05
<b>Other Expenses</b>				
Rent		87.69		85.98
<b>Repairs &amp; Maintenance :</b>				
- Plant & Machinery	84.91		51.93	
- Buildings	3.34		3.87	
- Others	26.49	114.75	25.10	80.90
Insurance		56.78		45.41
Rates & Taxes		24.73		29.89
Other Selling Expenses		136.74		150.30
Freight & Forwarding		623.67		638.21
Advertisement (Including Sales promotion Expenses)		0.83		1.23
<b>Auditors' Remuneration :</b>				
As Auditor				
- Audit Fee	2.75		2.75	
- Tax Audit Fee	0.75		0.75	
- Limited Review Fees	-		-	
- In Other Manner - For certifications	-		-	
Travelling & Out of Pocket Expenses	0.13	3.63	-	3.50
<b>Items pertaining to Previous Years</b>				
- At Debit	18.05		11.09	
- Less: At Credit	-	18.05	-	11.09
Legal Expenses		2.87		3.14
Professional Fees		105.94		77.29
Travelling & Conveyance Expenses		301.94		174.49
Postage, Telephone & Telex Expenses		23.20		13.20
Printing & Stationary		7.29		8.99
Vehicle Hire & Maintenance Charges		58.34		58.97
Sundry Expenses		150.46		128.96
Sitting Fees to Directors		1.05		0.98
Loss on Fixed Assets sold/Discarded (Net)		1.28		0.57
Sundry Balances writtenoff	-	-	-	-
Less: Adjusted against provisions	-	-	-	-
<b>TOTAL</b>		<b>4,225.91</b>		<b>3,386.17</b>

**NOTE 22 : NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2017 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2017.**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**A) System of Accounting :**

The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with accounting principal generally accepted in India and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013 as applicable.

**B) Fixed Assets :**

- i) All fixed assets are valued at cost net of Cenvat unless if any assets are revalued and for which proper disclosure is made in the Accounts.
- ii) In the case of ongoing projects, all pre-operative expenses for the project incurred upto the date of commercial production are capitalized and apportioned to the cost of respective assets.

**C) Depreciation :**

Depreciation on all the assets has been provided on Straight Line Method ("SLM") as per Schedule II of the Companies Act, 2013. Assets individually costing ₹ 5,000 or less are depreciated fully in the year of purchase.

Lease hold land will be amortized on the expiry of Lease Agreement.

Category / Group of Asset	Useful life
Buildings	30
Plant and Machinery	25
Plant and Machinery – Power	40
Computer Hardware	3
Electrical Installation	10
Air Conditioners	5
Office Equipments	5
Furniture and Fixtures	10
Motor Vehicle	8

**D) Inventories :**

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

Raw materials	: *At lower of cost and net realizable value.
Store & spares	: At cost (weighted average cost)
Work in process	: At cost
Finished goods	: At cost or net realizable value, whichever is lower (Also refer Accounting Policy G)
Traded goods	: At cost
Scrap material	: At cost or net realizable value, whichever is lower
Energy saving certificate	: At net realizable value
Certified Emission Reduction	: At net realizable 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.

**E) Investments :**

Investments are valued at cost of acquisition, which includes charges such as Brokerage, Fees and Duties.

**F) Expenditure during construction period:**

Expenditure incurred on projects under implementation are being treated as pre-operative expenses pending allocation to the assets which are being apportioned on commencement of commercial production.

**G) Excise Duty :**

The Excise duty payable on finished goods dispatches is accounted on the clearance thereof from the factory premises. Excise duty is provided on the finished goods lying at the factory premises and not yet dispatched as at the year ended as per the Accounting Standard 2 "Valuation of Inventories"

**H) Customs Duty :**

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

**I) Foreign Currency Transaction :**

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

**J) Provision for Gratuity :**

Provision for Gratuity is made on the basis of actuarial valuation based on the provisions of the Payment of Gratuity Act, 1972.

**K) Leave Salary :**

Provision is made for value of unutilized leave due to employees at the end of the year.

**L) Customs Duty Benefit :**

Customs duty entitlement eligible under pass book scheme / DEPB is accounted on accrual basis. Accordingly, import duty benefits against exports affected 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.

**M) Amortization of Expenses :**

- i) Equity Issue Expenses: Expenditure incurred in equity issue is being treated as Deferred Revenue Expenditure to be amortized over a period of ten years.
- ii) Preliminary Expenses: Preliminary expenses are amortized over a period of ten years.
- iii) Mining Development Expenses: Mining Development expenses are amortized over a period of Five years.

# LLOYDS METALS AND ENERGY LIMITED

## N) Impairment of Assets :

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

## O) Revenue Recognition :

Sales/Income of contracts/orders are booked based on work billed. Sales are net of sales return & trade discounts.

## P) Certified Emission Reductions (CER'S ) and Energy Savings certificate (ESCerts') :

During the year, the Company has received CER's (Certified Emission Reductions) of 124769 units.

The management has estimated to value the CER's @ 0.60 Euro per unit and ESCerts @ ₹3000 per certificate. It has been disclosed in Inventories.

## Q) Contingent Liability :

- Unprovided Contingent Liabilities are disclosed in the accounts by way of notes giving the nature and quantum of such liabilities.
- Contingent liabilities not provided for --

(₹ in Lakhs)

Particulars	As at 31.03.17	As at 31.03.16
a) Letter of Credit/Guarantees issued by Banks	601.32	506.21
b) Disputed claims of Excise/ Service Tax and CST Authorities	598.97	6.23
c) Claims against the Company not acknowledged as Debts	184.30	184.3

- Amount held in Margin / Fixed deposit accounts with banks having lien for facilities given by Banks ₹ 792.46 Lakhs (Previous year ₹ 694.27 Lakhs).

- The computation of net profit for the purpose of calculation of managerial remuneration u/s 198 of Companies Act, 2013 has not been enumerated since minimum remuneration has been paid to the Managing Director.

- The Company does not envisage any liability for Income Tax for the current year in absence of taxable income.
  - Disclosure as required by the Accounting Standard – 22 “Accounting for Taxes on Income” are given below:

In the event of carry forward losses and unabsorbed depreciation no Deferred Tax Liability has been created for the financial year ending 31.03.2017. The deferred tax asset has not been recognized as there is no virtual certainty of sufficient future taxable income available against which this deferred tax asset can be realized.

- Disclosure as required by the Accounting Standard-15 “Employee Benefit” are given below:

- General Description of Plan : Defined Gratuity Benefit obligation (Unfunded)
- Method of Valuation of Gratuity: Projected Unit Credit Method.
- Reconciliation of opening and closing balance of defined benefit obligation

(₹ in Lakhs)

Particulars	2016-2017	2015-2016
Obligation as at the beginning of the year	306.69	308.54
Current Services Cost	31.27	32.88
Interest Cost	24.54	23.91
Actuarial (Gain)/Loss	(8.12)	(32.90)
Benefits paid	(21.63)	(25.74)
Obligation as at the end of the year	332.74	306.69

- Expenses recognized during the year.

(₹ in Lakhs)

Particulars	2016-17	2015-16
Current Services Cost	31.27	32.88
Interest Cost	24.54	23.91
Actuarial (Gain)/Loss	(8.12)	(32.90)
Total Expenses recognized during the year	47.69	23.89

- Actuarial Assumptions.

- Rate of Interest : 7.50% per annum
- Salary Growth : 8.00% per annum
- Withdrawal Rate : 1%
- Mortality Rate : Indian Assured Lives (2006-08) ultimate Mortality Rates.
- Retirement Age : 62 years

- Disclosure as required by the Accounting Standard – 20 “Earning Per Share” are given below.

Particulars	2016-17	2015-16
NPBT	6,02,02,105	72,11,844
Tax Expenses	--	--
Numerator (A)	6,02,02,105	72,11,844
Denominator (B)	22,25,82,580	22,25,82,580
Basic & Diluted EPS (A/B)	0.27	0.03

## ANNUAL REPORT 2016-17

- 8 Disclosure as required by the Accounting Standard – 18 “Related Party Disclosure” are given below.:

1. Key Managerial Personnel

(₹ in Lakhs)

A		Name of related party and relationship	
i) Name of the Related Party	Mr. Babulal Agarwal		
ii) Relationship	Key Managerial Personnel		
B		Transaction with related parties Nature of Transaction	
a) Salary	24.00	24.00	
b) PF Contribution	1.44	1.44	

- 9 Debtors, Creditors and Loans & Advances are subject to confirmation by the parties. Difference (if any), shall be accounted on such reconciliation.
- 10 During the year power division sales includes sale of power amounting to ₹ 889.76 Lakhs at selling price to sponge iron division (Previous year ₹765.06 Lakhs).
- 11 During the year inter division transfer includes ₹ 2779 Lakhs of Iron Ore from mining division for captive consumption (Previous year Nil)
- 14 **The details of Specified Bank Notes (‘SBN’) held and transacted during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 are as below:**

	SBNs		Other denomination notes				Coins	Total
	1000	500	100	50	20	10		
No. of Notes	3100	150	25	10	301	342	--	
Total Cash in hand	3100000	75000	2500	500	6020	3420	2317	3189757
Closing Cash in hand as on 08-11-2016								3189757
(+) Permitted receipts								
Cash Withdrawal from Bank	0	0					339273	339273
(-) Permitted Payments	0	0						
For Employee advance against Company work							192564	192564
(-) Amount deposited in Banks								
10.11.2016								
No. of Notes		131						
Cash Deposited		65500						65500
12.11.2016								
No. of Notes		19						
Cash Deposited		9500						9500
LMEL-HO	3100							
Cash Deposited	3100000							3100000
Closing Cash in hand as on 30-12-2016		0						161466

- 12 The Company has no information as to whether any of its suppliers constitute micro, small & medium enterprises as per Micro, Small & Medium Enterprises Development Act, 2006 and therefore, the amount due to such suppliers has not been identified.

- 13 Additional information pursuant to the provisions of Part I of Schedule III to the Companies Act, 2013.

**Break up of stores and spares consumed**

Particulars	2016-2017		2015-2016	
	₹ in Lakhs	%	₹ in Lakhs	%
Indigenous	506.93	100	294.37	100
<b>Total</b>	<b>506.93</b>	<b>100</b>	<b>294.37</b>	<b>100</b>

Expenditure incurred in foreign currency on account of:

(₹ in Lakhs)

Particulars	2016-2017	2015-2016
Travelling Expenses	72.23	43.94
<b>Total</b>	<b>72.23</b>	<b>43.94</b>

# LLOYDS METALS AND ENERGY LIMITED

15) Disclosures as required by the Accounting Standard 17 on "Segment Reporting " are given below :

(₹ in Lacs)

Sr. No.	Particulars	Period Ended 31.03.2017					Year Ended 31.03.2016				
		Sponge Iron & Steel	Power	Mining	Elimination	Consolidated	Sponge Iron & Steel	Power	Mining	Elimination	Consolidated
I)	<b>Segment Revenue :</b>										
	<b>Sales :</b>										
	External	31,433.21	5,461.12	-	-	36,894.33	31,910.52	5,011.41	-	-	36,921.92
	Inter - Segment	-	884.54	2,779.01	(3,663.55)	-	-	765.06	-	(765.06)	-
	<b>Total</b>	<b>31,433.21</b>	<b>6,345.66</b>	<b>2,779.01</b>	<b>(3,663.55)</b>	<b>36,894.33</b>	<b>31,910.52</b>	<b>5,776.47</b>	-	<b>(765.06)</b>	<b>36,921.92</b>
II)	<b>Segment Result :</b>										
	Operating Net Profit	(3,610.66)	5,461.10	498.99	-	2,349.42	(2,656.49)	4,223.49	-	-	1,567.00
	Common Expenses (Net)	-	-	-	-	(731.01)	-	-	-	-	(524.91)
	Interest	-	-	-	-	(1,016.39)	-	-	-	-	(969.98)
	Exceptional items	-	-	-	-	-	-	-	-	-	-
	<b>Profit before tax</b>					<b>602.02</b>					<b>72.11</b>
III)	<b>Segment Assets :</b>	28,474.27	16,810.09	4,946.77	-	50,231.13	25,239.50	16,096.60	4,895.45	-	46,231.55
	Common Assets	-	-	-	-	60.86	-	-	-	-	81.30
	<b>Total</b>	<b>28,474.27</b>	<b>16,810.09</b>	<b>4,946.77</b>	-	<b>50,291.99</b>	<b>25,239.50</b>	<b>16,096.60</b>	<b>4,895.45</b>	-	<b>46,312.85</b>
IV)	<b>Segment Liabilities :</b>	32,303.67	5,401.95	4,785.81	-	42,491.43	24,644.92	9,692.43	4,723.32	-	39,060.68
	Common Liabilities	-	-	-	-	85.58	-	-	-	-	63.87
	<b>Total</b>	<b>32,303.67</b>	<b>5,401.95</b>	<b>4,785.81</b>	-	<b>42,577.01</b>	<b>24,644.92</b>	<b>9,692.43</b>	<b>4,723.32</b>	-	<b>39,124.54</b>
V)	<b>Capital Expenditure during the year</b>										
	Segment	3,861.08	153.29	129.85	-	4,144.22	2,911.47	388.59	114.61	-	3,414.67
	Common	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>3,861.08</b>	<b>153.29</b>	<b>129.85</b>	-	<b>4,144.22</b>	<b>2,911.47</b>	<b>388.59</b>	<b>114.61</b>	-	<b>3,414.67</b>
VI)	<b>Depreciation during the year</b>										
	Segment	1,219.89	-	77.46	-	1,297.34	625.85	436.16	2.74	-	1,064.74
	Common	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>1,219.89</b>	-	<b>77.46</b>	-	<b>1,297.34</b>	<b>0</b>	<b>0</b>	<b>0</b>	-	<b>1,064.74</b>
VII)	<b>Non Cash Expenses other than Depreciation</b>										
	Segment	-	-	-	-	-	-	-	-	-	-
	Common	-	-	-	-	904.83	-	-	-	-	113.02
	<b>Total</b>	-	-	-	-	<b>904.83</b>	-	-	-	-	<b>113.02</b>

**Notes :-**

- 1) *Business Segment : The business operations of the Company comprise Sponge Iron & Power. The business segments have been identified and reported taking into account, the nature of products and services, the differing risks and returns and the internal financial reporting systems.*
- 2) *Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the enterprise as a whole.*

16) Previous year figures have been regrouped and recast wherever necessary to confirm to the classification of the current year as per the revised Schedule III of the Companies Act, 2013.

**For and on behalf of  
TODARWAL & TODARWAL**

Chartered Accountants  
ICAI Reg. No. : 111009W

**MALA TODARWAL**

Partner  
M.No. 134571

Date : 12<sup>th</sup> April, 2017

Place : Mumbai

**For and on behalf of the Board**

**BABULAL AGARWAL**  
Managing Director  
DIN: 00029389

**MUKESH R. GUPTA**  
Director  
DIN: 00028347

**NITESH TANWAR**  
Company Secretary

**RIYAZ SHAIKH**  
Chief Financial Officer



## Lloyds Metals and Energy Limited

**Regd. Office :** Plot No. A 1-2, MIDC Area, Ghugus, Dist. Chandrapur, 442 505, Maharashtra. **Tel.** 07172 285099 /103/398 **Fax** 07172 285003.  
**Corporate Office :** Trade World, "C" Wing, 16<sup>th</sup> Floor, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai-400 013. **Tel. No.** 3041 8111. **Fax No.** 3041 8260  
**CIN :** L40300MH1977PLC019594 **Website :** www.lloyds.in

Dear Shareholder,

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

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

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

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

- By registering with your Depository Participant ("DP") in case the Company's shares are held in Demat form.
- By sending an E-Mail to Bigshare Services Private Limited, Registrar and Share Transfer Agent ("RTA") at 1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (E), Mumbai - 400059.
- By returning the duly filled in form to the RTA, in case the Company's shares are held in physical form.

Please note that these documents shall be available on Company's website [www.lloyds.in](http://www.lloyds.in) and shall also be kept open for inspection by the Members at the registered office of the Company during office hours.

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

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

Best Regards,

**For Lloyds Metals and Energy Limited**

**Nitesh Tanwar**  
**Company Secretary**

----- Tear Here -----



## E-COMMUNICATION REGISTRATION FORM

Date:

To,

**Bigshare Services Private Limited**  
1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road, Marol,  
Andheri (E), Mumbai - 400059,

**UNIT – LLOYDS METALS AND ENERGY 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.

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

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





## Lloyds Metals and Energy Limited

**Regd. Office :** Plot No. A 1-2, MIDC Area, Ghugus, Dist. Chandrapur, 442 505, Maharashtra. **Tel.** 07172 285099 /103/398 **Fax** 07172 285003.  
**Corporate Office :** Trade World, "C" Wing, 16<sup>th</sup> Floor, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai-400 013. **Tel. No.** 3041 8111. **Fax No.** 3041 8260  
**CIN :** L40300MH1977PLC019594 **Website :** www.lloyds.in

### Form No. MGT-11

### Proxy Form

**[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]**  
**CIN: L40300MH1977PLC019594**

Name of the Company : **Lloyds Metals and Energy Limited**  
Registered Office : Plot No. A 1-2, MIDC Area, Ghugus, Dist. Chandrapur - 442 505, Maharashtra.

Name of the member(s):
Registered Address:
E-mail Id:
Folio No./Client Id:
DP ID:

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

1. Name:  
Address:  
  
E-mail Id:  
  
Signature: ....., or failing him

2. Name:  
Address:  
  
E-mail Id:  
  
Signature: ....., or failing him

3. Name:  
Address:  
E-mail Id:  
  
Signature: .....



As my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 40<sup>th</sup> Annual General Meeting of the Company, to be held on the **Tuesday, 19<sup>th</sup> day of September, 2017, at 12:30 p.m.** at Plot No. A 1-2, MIDC Area, Ghugus, Dist. Chandrapur, 442505, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

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

Sr. No	RESOLUTIONS	For	Against
1.	To receive, consider and adopt the Standalone Financial Statements of the Company for the year ended 31 <sup>st</sup> March, 2017, including the Audited Balance Sheet as at 31 <sup>st</sup> March, 2017 and the Statement of Profit and Loss of the Company for the year ended on that date, along with the reports of the Board of Directors and Auditors thereon.		
2.	To appoint a Director in place of Mr. Mukesh R. Gupta (DIN: 00028347), who retires by rotation and being eligible offers himself for re-appointment.		
3.	To appoint M/s. VSS & Associates, Chartered Accountants, (Firm Registration No. 105787W), as statutory auditors of the Company in place of M/s. Todarwal & Todarwal, Chartered Accountants (Firm registration No. 111009W), the retiring Statutory Auditors.		
4.	Reappoint M/s Manisha & Associates, Cost Accountants (Firm Registration No. 000321) as Cost Auditors for the Financial Year 2017-18 including their remuneration.		
5.	Revision In Terms of Remuneration of Mr. Babulal Agarwal, Managing Director of The Company w.e.f 1 <sup>st</sup> April, 2017 to 31 <sup>st</sup> December, 2017.		
6.	Reappointment of Mr. Babulal Agarwal as a Managing Director of The Company for the Further Periods of 5 Years.		
7.	Approval of Employee Stock Options Plan ("LLOYDS ESOP – 2017") and grant of Employee Stock Options to the employees of the Company through trust.		

Signed this..... day of ..... 2017

Affix Revenue Stamp
---------------------------

Signature of Shareholder(s)

Signature of Proxy holder(s)

**Notes:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
- A Proxy need not be a member of the Company.**
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**
- \*\* 4. This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.**
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.**
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.**



## Lloyds Metals and Energy Limited

**Regd. Office :** Plot No. A 1-2, MIDC Area, Ghugus, Dist. Chandrapur, 442 505, Maharashtra. **Tel.** 07172 285099 /103/398 **Fax** 07172 285003.  
**Corporate Office :** Trade World, "C" Wing, 16<sup>th</sup> Floor, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai-400 013. **Tel.No.** 3041 8111. **Fax No.** 3041 8260  
**CIN :** L40300MH1977PLC019594 **Website :** www.lloyds.in

### 40<sup>TH</sup> Annual General Meeting

#### ATTENDANCE SLIP

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

DP ID *	
Client ID *	

Folio No.	
No. of Shares	

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

I, Certify that I am a registered Member/ Proxy for the registered Member of the Company, I hereby record my presence at the 40<sup>th</sup> Annual General Meeting of the Company held at Plot No. A 1-2, MIDC Area, Ghugus, Dist. Chandrapur, 442 505, Maharashtra on **Tuesday, 19<sup>th</sup> September, 2017 at 12.30 p.m.**

Full Name of Member (in BLOCK LETTERS) \_\_\_\_\_

Name of the Proxy (in BLOCK LETTERS) \_\_\_\_\_

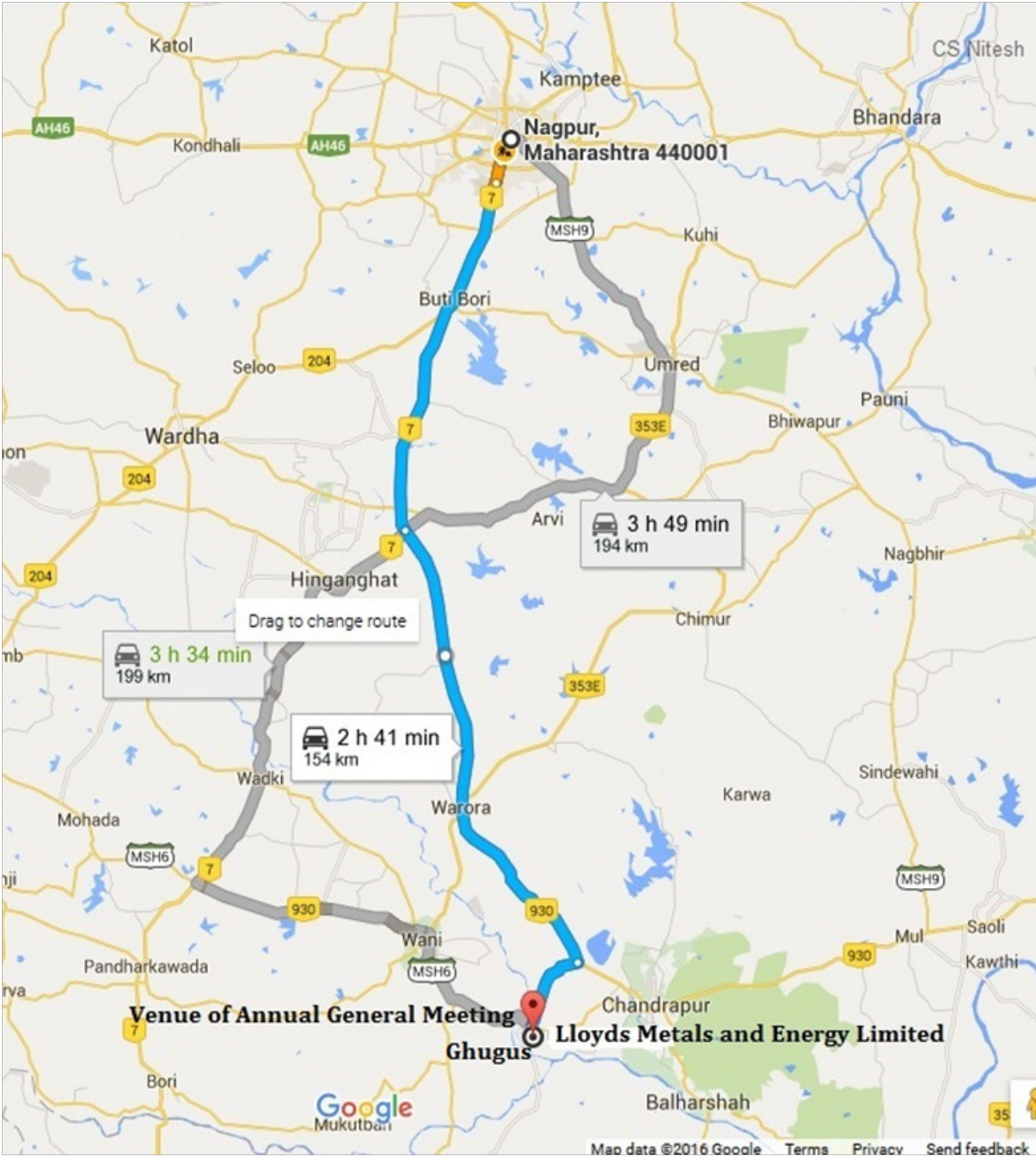
(To be filled in if the Proxy attends instead of Member/s)

Member's/Proxy's Signature \_\_\_\_\_

\* Applicable for investors holding shares in electronic form.



**Route Map:** Nagpur, Maharashtra to Lloyds Metals and Energy Limited, Plot No. A-1/2, MIDC Area, Ghugus, Dist. Chandrapur – 442 505.



**BY COURIER**

If undelivered please return to :

**BIGSHARE SERVICES PRIVATE LIMITED**

**(Unit : Lloyds Metals and Energy Ltd.)**

1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis,  
Makwana Road, Marol, Andheri (E), Mumbai - 400059.

Phone : 022-4043 0200

Fax : 022-2847 5207