

**DIRECTORS' REPORT**

Dear Members,

Your Directors are pleased to present the Company's Twenty Sixth Annual Report and the Company's Audited Financial Statements for the Financial Year Ended 31<sup>st</sup> March, 2020.

**1. FINANCIAL HIGHLIGHTS:**

The Company's financial highlights for the year ended 31<sup>st</sup> March, 2020 is summarized below:

(Rs. in Lakhs)

Particulars	Current Year 2019-20	Previous Year 2018-19
Income from Operations	11,446.48	9,771.78
Other Income	829.87	1,003.67
<b>Total Income</b>	<b>12,276.35</b>	10,775.45
Profit before Interest, Depreciation & Tax	538.95	454.48
Less : Finance Cost	54.46	33.18
Depreciation	157.20	105.37
Profit/(Loss) before tax	327.29	315.93
Less: Tax Expenses (Net)	78.24	28.43
Profit/(Loss) for the Year	249.05	287.50
Other Comprehensive Income (Net)	36.33	(18.42)
<b>Total Comprehensive Income</b>	<b>285.38</b>	269.08

**2. PERFORMANCE 2019-20:**

During the year under review, the Company achieved a turnover of Rs.11,446.48 Lakhs as compared to Rs. 9,771.78 Lakhs in the previous year. The operating EBIDTA for the year is Rs.538.95 Lakhs as against Rs.454.48 Lakhs in the previous year. The Company has posted a Profit Before Tax of Rs.327.29 Lakhs during the year as against Rs.315.93 Lakhs in the previous year after providing depreciation of Rs.157.20 Lakhs (Previous Year Rs.105.37 Lakhs) and has posted a Profit of Rs.249.05 Lakhs as against Rs. 287.50 Lakhs in the previous year after considering tax expenses (Net) of Rs.78.24 Lakhs (previous year Rs.28.43 Lakhs). The total Comprehensive Income for the current year is Rs.285.38 Lakhs as against Rs.269.08 Lakhs in the previous year after considering Other Comprehensive Income of Rs.36.33 Lakhs (Previous Year Other Comprehensive loss Rs.18.42 Lakhs).

**3. TRANSFER TO RESERVE:**

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

**4. DIVIDEND:**

In order to conserve the resources, the Board of Directors has not recommended any dividend for the year ended 31<sup>st</sup> March, 2020.

**5. MANAGEMENT DISCUSSION AND ANALYSIS:**

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

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

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

The indigenously built Steering Gear Controls supplied by the Company for INS Pralay and INS Betwa in the last financial year were commissioned during the current financial year and the ships have started sailing in the sea.

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

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

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

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

### a. Engineering Industry and Business Overview:

Though the prospects of Indian Engineering Industry was expected to improve in view of reforms undertaken by the Government of India in the Hydro Carbon and Infrastructure Sectors, the sudden Covid-19 pandemic has adversely affected the overall industrial scenario and business prospects as the expansion plans of various industries is expected to be on slow track and competition for securing orders would be severe on account of the expected recession in the economy.

### b. Risk & Concerns:

The banking system continues to be over burdened with large Non Performing Assets (NPA) restricting the investment by Public and Private Corporate Sectors. Margins in the industry continue to be under pressure on account of severe competition coupled with the effect of Covid-19. We are up-grading our skills, modernization and cost saving to the extent possible. Risk and concerns are being addressed on a continuous basis.

### c. Internal Control System and Audit:

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

1. Operational performance is reviewed each month by the Senior Management.
2. Performance of each function is closely monitored by the Head of Department and Senior Management through daily/weekly/monthly review meetings. Reviews of all independent functions are regularly undertaken. Cross functional activities are periodically reviewed.

3. Various policies are introduced from time to time to ensure effective functioning of various departments, such as Business Development, Projects, Procurement, Commercial, Finance, HR, etc.
4. The Internal Auditors of the company conducts financial, operational and management audit of various functions and areas. Their reports are placed before the Audit Committee and appropriate actions as deemed fit are initiated based on the reports.
5. The Audit Committee also oversees financial systems, procedures and internal controls and competent to call for any information/document from any department/function.

### d. Human Resources and Industrial Relations:

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

### e. Cautionary Statement:

The Management Discussion and Analysis describe Company's projections, expectations or predictions and are forward looking statements within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand and supply and price conditions in domestic and international market, changes in Government regulations, tax regimes, economic developments, the Covid-19 pandemic and other related and incidental factors.

## 6. SUBSIDIARY & CONSOLIDATED FINANCIAL STATEMENTS:

The Company is not required to consolidate its financial statements for the year ended 31<sup>st</sup> March, 2020 as the Company doesn't have any subsidiary, Associates and joint ventures companies.

## 7. SHARE CAPITAL:

During the financial year under review, there is no change in the capital structure of the Company and accordingly, the issued, subscribed and paid-up share capital of the company stand at Rs.89,86,98,382 as on 31<sup>st</sup> March, 2020.

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

During the financial year 2019-2020 under review, there are no changes in the nature of business activities of the Company.

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

The Covid-19 pandemic and the lockdown enforced by the Government from 24<sup>th</sup> March, 2020 and still continuing as on date of this report has seriously impacted the delivery schedules of various orders/jobs under execution by the Company and consequently has affected the cash flow and financial position of the Company.

**10. PUBLIC DEPOSIT.**

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

**11. DETAILS OF TOTAL FEES PAID TO THE STATUTORY AUDITORS, COST AUDITORS AND SECRETARIAL AUDITORS:**

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

(Rs. In Lakhs)

Type of Service	2019-20	2018-19
Statutory Audit Fees	1.50	1.50
Tax Audit Fees	0.50	0.50
Cost Audit Fees	0.35	0.30
Secretarial Audit Fee	0.30	0.30
Total	2.65	2.60

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

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

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

\* Mr. Vishal Agarwal has resigned from the Board on 21.11.2019.

\*\* Mr. A. Lakshman was appointed on 24<sup>th</sup> January, 2020 as an Additional Non-Executive Independent Director in the Board of the Company who shall hold office upto the date of the ensuing Annual General Meeting of the company.

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

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

In pursuant to provisions of Section 203 of the Companies Act, 2013 read with the applicable rules and other applicable provisions of the Companies Act, 2013, the designated Key Managerial Personnel (KMP) of the Company as on 31<sup>st</sup> March, 2020 are as follows:

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

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

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

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



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

a. **Number of Meetings of the Board:** Total 4 (Four) Board Meetings were held during the financial year 2019-20 as required u/s 134 (3) (b) of the Companies Act, 2013 are as under:

Date of Board Meetings	Purpose
26 <sup>th</sup> April, 2019	Financial Results & General Purpose
29 <sup>th</sup> July, 2019	Financial Results & General Purpose
7 <sup>th</sup> November, 2019	Financial Results & General Purpose
24 <sup>th</sup> January, 2020	Financial Results & General Purpose

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

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

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

d. **Performance Evaluation of the Board and its Committee(s):** The Board has carried out an annual performance evaluation of its own performance and that of its Committees and individual directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

e. **Meeting of the Independent Directors:** During the year under review, the Independent Directors met on 24<sup>th</sup> January, 2020, inter alia, to:

- i) Review the performance of Non Independent Directors and the Board of Directors as a whole;
- ii) Review the performance of the Managing Director of the Company taking into account the views of the Directors;
- iii) Assess the quality, content and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

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

**14. DIRECTORS' RESPONSIBILITY STATEMENT.**

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

1. in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2020, 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, 2020 and of the profit of the Company for the year ended on that date;
3. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the Directors have prepared the annual accounts on a 'going concern' basis;
5. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and;
6. the Directors have devised proper systems and controls to ensure compliance with the provisions of all applicable laws and that such systems and controls are adequate and operating effectively.

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

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

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

The Extract of the Annual Return (Form No.MGT-9) as on 31<sup>st</sup> March, 2020 pursuant to the provisions of Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 (as amended by Companies (amendments) Act, 2017 is furnished in the 'Annexure - C' attached to this report, which forms an integral part of this report.

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

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 the Company has formulated, implemented and amended (as per the Companies (amendments) Act, 2017, SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2019) and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and various policies and the Amended copy of all such Policies are available on Company's website (www.lloydsengg.in) under the Policies sub-caption of the Investor Caption. The policies are reviewed periodically by the Board and updated based on need and requirements.

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

Risk Management Policy	The Risk Management Policy by the Company is in compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy helps to identify the various elements of risks faced by the Company, which in the opinion of the Board threatens the existence of the Company.
Policy for Procedure of Inquiry in Case of Leak of Unpublished Price Sensitive Information ("UPSI")	The SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 ("PIT Amendment Regulations") mandates every listed company to formulate a written policy and procedures for inquiry in case of leak of unpublished price sensitive information and initiate appropriate action on becoming aware of leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries. In pursuant to this regulation, the Company has adopted the Policy for Procedure of Inquiry in Case of Leak of Unpublished Price Sensitive Information ("UPSI").
Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information	The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information was revised pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 to include therein the policy for determination of "Legitimate purposes for sharing UPSI"

**18. AUDITORS:**

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

- (A) **Statutory Auditor:** Pursuant to Section 139 of the Companies Act, 2013 and rules made thereunder, the Board of Directors appointed M/s. Todarwal & Todarwal, Chartered Accountants (Firm Registration No. 111009W), as the Statutory Auditors of the Company for a period of five financial years from 01.04.2014 to 31.03.2019 and the shareholders have accorded their approval in the AGM held on 30<sup>th</sup> September 2014. M/s. Todarwal & Todarwal, Chartered Accountants converted itself into a Limited Liability Partnership (LLP) under the provisions of the Limited Liability Partnership Act, 2008 and is now known as M/s. Todarwal & Todarwal LLP (Firm Regn. No.W100231) with effect from 14<sup>th</sup> July, 2017.

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

- (B) Audit Report:** During the year 2019-20, no frauds have either occurred or noticed and/or reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (as amended from time to time).

The observations, if any, made by the Statutory Auditors in their Audit Report read with the relevant notes thereof as stated in the Notes to the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2020 are self explanatory and being devoid of any reservation(s), qualification(s) or adverse remark(s) etc and do not call for any further information(s)/ explanation(s) or comments from the Board under Section 134(3)(f)(i) of the Companies Act, 2013.

- (C) Secretarial Auditor:** Pursuant to Section 204 of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, The Board has re-appointed M/s. H. Maheshwari & Associates, (Formerly AKM & Associates) Practicing Company Secretary (Membership No. ACS 26145 and Certificate of Practice No.10245) as the Secretarial Auditor of your Company to conduct Secretarial Audit for the financial year 2020-21.

- (D) Secretarial Audit Report:** Secretarial Audit Report as issued by the Secretarial Auditor, in Form No. MR-3 for the financial year 2019-20 is annexed herewith vide '**Annexure - D**' and forms integral part of this Annual Report. The said Secretarial Audit Report being devoid of any reservation(s), adverse remark(s) and qualification(s) etc. do not call for any further explanation(s)/ information or comment(s) from the Board under Section 134(3) (f)(ii) of the Companies Act, 2013.

- (E) Cost Auditor:** In terms of Section 148 of the Act, the Company is required to have the audit of its cost records conducted by a Cost Accountant. In this connection, the Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment of M/s. Manisha & Associates as the cost auditors of the Company for the year ending March 31, 2021.

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

The Company has maintained such accounts and records as per the aforesaid provisions and further has filed Cost Audit Report for the financial year ended 31.03.2019 with the Central Government in XBRL Mode within the time limit prescribed under the Companies Act, 2013.

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

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

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

There are no investments made pursuant to Section 186 of the Companies Act, 2013. The Company has not given any guarantee or provided security during the year under review. The particulars of loans and advances given by the Company during the financial year 2019-20 are stated in Notes to the Audited Financial Statements of the Company as annexed to this Annual Report.

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

The Company has not entered into any Related Party Contract(s)/ Transaction(s)/Arrangement(s) during the financial year 2019-20 pursuant to Section 188 (2) of the Companies Act 2013. Further, in accordance with Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, there were no materially significant related party contract(s)/ transaction(s)/arrangements entered by the Company which may have a potential conflict with the interest of the Company during the financial year. The Policy on dealing with Related Party Transactions has been placed on the Company's website and can be accessed at [www.lloydsengg.in](http://www.lloydsengg.in)



**22. LISTING OF SHARES:**

The Equity Shares of the Company are continued to be listed and actively traded on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange Limited (NSE). The listing fees payable for the financial year 2020-2021 has been paid to both the Stock Exchanges (BSE & NSE).

**23. DEMATERIALIZATION OF SHARES:**

As on 31<sup>st</sup> March 2020, there were approximately **89,03,77,874** Equity Shares dematerialized through depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, which represents about **99.07%** of the total issued, subscribed and paid-up capital of the Company.

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

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

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

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

**26. INVESTOR SERVICES:**

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

**27. COMPLIANCE WITH SECRETARIAL STANDARDS:**

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

**28. GENERAL DISCLOSURES:**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions/ activities pertaining to these matters during F.Y. 2019-20:

- a) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- b) Issue of shares (including sweat equity shares and ESOP) to employees of the Company under any scheme.
- c) Instances with respect to voting rights not exercised directly by the employees of Company.
- d) Neither the Managing Director nor the CFO of the Company receives any remuneration or commission from any other Company.
- e) No significant or material orders were passed by the Regulators or Courts or Tribunals which can impact the going concern status and Company's operations in future.
- f) No fraud has been reported by the Auditor in their Audit Report for F.Y. 2019-20, hence the disclosure u/s 134(3) (ca) is not applicable.

**29. ENCLOSURES:**

- a. **Annexure – A:** Corporate Governance Report;
- b. **Annexure–B:** Report on Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo;
- c. **Annexure – C:** Extract of Annual Return as of 31<sup>st</sup> March, 2020 in the prescribed Form No.MGT-9
- d. **Annexure - D:** Secretarial Auditors Report in Form No. MR-3;
- e. **Annexure – E:** Details of Personnel/Particulars of Employees.

**30. ACKNOWLEDGEMENT**

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

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

**Date : 19<sup>th</sup> June 2020  
Place: Mumbai**

**Sd/-  
Ashok Tandon  
Managing Director**