(Please scan the QR Code to view the LOF)

Letter of Offer
April 19, 2025
For Eligible Equity Shareholders only

LLOYDS ENGINEERING WORKS LIMITED

(*Formerly known as "Lloyds Steels Industries Limited"*)

Our Company was incorporated as "Climan Properties Private Limited" on September 19, 1994, as a private limited Company under the Companies Act, 1956 and was granted the Certificate of Incorporation by the Registrar of Companies, Mumbai. Subsequently, our Company was converted into a Public Limited Company and the name of our Company was changed to "Climan Properties Limited" on April 17, 2000, vide a fresh certificate of incorporation issued by the Registrar of Companies, Mumbai. Thereafter, the name of our Company was changed from "Climan Properties Limited" to "Encon Technologies Limited" pursuant to a fresh Certificate of Incorporation dated April 19, 2000. Subsequently, the name of our Company was changed to "Lloyds Encon Technologies (I) Limited" on May 31, 2011, vide a fresh certificate of incorporation issued by the Registrar of Companies, Mumbai. The name of our Company was changed to "Lloyds Steels Industries Limited" on May 04, 2013, vide a fresh Certificate of Incorporation issued by the Registrar of Companies, Mumbai. Pursuant to a scheme of arrangement ("***Scheme***") between Uttam Value Steels Limited ("***UVSL***") and Lloyds Steels Industries Limited, the engineering division of UVSL was demerged from UVSL into Lloyds Steels Industries Limited, by the Hon'ble High Court of Judicature at Bombay vide its order dated October 30, 2015, and speaking to minutes of the order dated November 30, 2015. Subsequent to the sanction of the Scheme, Lloyds Steels Industries Limited was listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") on July 18, 2016. The name of our Company was changed from "Lloyds Steels Industries Limited" to its present name "Lloyds Engineering Works Limited" vide a fresh Certificate of Incorporation dated July 25, 2023, issued by the Registrar of Companies, Mumbai.

Registered Office: Plot No. A-5/5, MIDC Industrial Area, Murbad, Thane 421 401
Corporate Office: A-2, Madhu Estate, 2nd Floor, Pandurang Budhkar Marg, Lower Parel, Mumbai 400 013
Contact person: Rahima Shaikh, Company Secretary and Compliance Officer
Registered Office Telephone: +91-2524-222271 | **Corporate Office Telephone**: +91-22-6291 8111 | **E-mail id:** infoengg@lloyds.in | **Website**: www.lloydsengg.in
Corporate Identity Number: L28900MH1994PLC081235

PROMOTERS OF OUR COMPANY: MUKESH R. GUPTA, RAJESH R. GUPTA, ABHA M. GUPTA, RENU R. GUPTA, AND LLOYDS ENTERPRISES LIMITED
(formerly known as *Shree Global Tradefin Limited*)

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF LLOYDS ENGINEERING WORKS LIMITED (*FORMERLY KNOWN AS "LLOYDS STEELS INDUSTRIES LIMITED*") (OUR "COMPANY" OR THE "ISSUER" ONLY)

ISSUE OF UP TO 30,85,17,476# PARTLY PAID UP EQUITY SHARES OF FACE VALUE OF ₹1 EACH OF OUR COMPANY (THE "RIGHTS EQUITY SHARES") FOR CASH AT A PRICE OF ₹ 32 PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ 31 PER EQUITY SHARE) AGGREGATING UP TO ₹ 98,725.59 LAKHS# ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 9 RIGHTS EQUITY SHARE FOR EVERY 34 FULLY PAID UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS APRIL 28, 2025 (THE "ISSUE"). FOR FURTHER DETAILS, PLEASE REFER TO "*TERMS OF THE ISSUE*" BEGINNING ON PAGE 362 OF THISLETTER OF OFFER.

#Assuming full subscription and receipt of all Calls Monies with respect to Rights Equity Shares.

PAYMENT SCHEDULE FOR RIGHTS EQUITY SHARES

AMOUNT PAYABLE PER RIGHTS EQUITY SHARE^	Face Value (₹)	Premium (₹)	Total(₹)
On Application	0.50	15.50	16.00*
Not more than two Calls with terms and conditions such as the number of Calls and the timing and quantum of each Call as may be decided by the Board/Securities Issue Committee from time to time	0.50	15.50	16.00**
Total (₹)	**1.00**	**31.00**	**32.00**

**Constitutes 50% of the Issue Price*
***Constitutes 50% of the Issue Price*
^For further details on Payment Schedule, see "*Terms of the Issue*" on page 362.

WILFUL DEFAULTER(S) OR FRAUDLENT BORROWER(S)

Neither our Company nor our Promoters or any of our Directors have been identified as Wilful Defaulter(s) or Fraudulent Borrower(s) by Reserve Bank of India ("**RBI**") or any other Government Authority.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors shall rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**") nor does SEBI guarantee the accuracy or adequacy of this Letter of Offer. Specific attention of the investors is invited to "***Risk Factors***" beginning on page 25 of this Letter of Offer before making an investment in this Issue.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, and that the information contained in this Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares are listed on BSE and NSE (together, the "**Stock Exchanges**"). Our Company has received 'in-principle' approvals from the BSE and NSE for listing the Rights Equity Shares to be allotted pursuant to this Issue *vide* letters dated December 05, 2024 and January 02, 2025 respectively. Our Company will also make applications to the Stock Exchanges to obtain their trading approvals for the Rights Entitlements as required under the SEBI ICDR Master Circular. For the purpose of this Issue, the Designated Stock Exchange is BSE Limited.

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
Mark Corporate Advisors Private Limited 404/1, The Summit Business Bay, Sant Janabai Road (Service Lane), Off Western Express Highway, Vile Parle (East), Mumbai 400 057 **CIN:** U67190MH2008PTC181996 **Telephone:** +91 22 2612 3207/08 **E-mail:** rightsissue@markcorporateadvisors.com **Investor grievance e-mail id:** investorgrievance@markcorporateadvisors.com **Contact person:** Niraj Kothari **Website:** www.markcorporateadvisors.com **SEBI registration number:** INM000012128	**Bigshare Services Private Limited** Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai 400 093 **CIN:** U99999MH1994PTC076534 **Telephone**: +91 22 6263 8200/22 **Email**: rightsissue@bigshareonline.com **Investor grievance e-mail**: investor@bigshareonline.com **Contact Person**: Suraj Gupta **Website**: www.bigshareonline.com **SEBI registration no.**: INR000001385

ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR ON-MARKET RENUNCIATIONS*	ISSUE CLOSES ON#
Thursday, May 15, 2025	**Tuesday, May 27, 2025**	**Friday, May 30, 2025**

**Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.*
#Our Board or Securities Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Letter of Offer uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalised terms used in this Letter of Offer is intended for the convenience of the reader/ prospective investor only and is not exhaustive.

References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

*The words and expressions used in this Letter of Offer but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI ICDR Regulations, SEBI Listing Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in "**Summary of Letter of Offer**", "**Risk Factors**", "**Statement of Special Tax Benefits**" and "**Financial Statements**", "**Our Business**", "**Outstanding Litigations and Defaults**", "**Terms of the Issue**" beginning on pages 21*, 25, 101, 216, 174, 342 *and 362 respectively of this Letter of Offer, shall, unless indicated otherwise, have the meaning given to such terms in such sections.*

General Terms

Term	Description
"Company", "our Company", "the Company", "the Issuer" or "LEWL"	Lloyds Engineering Works Limited (*Formerly known as Lloyds Steels Industries Limited*) incorporated under the erstwhile Companies Act 1956, with its Registered Office at Plot number A-5/5, MIDC Industrial Area, Murbad, Thane 421 401
Subsidiary / Subsidiary Company / Our Subsidiary / Material Subsidiary / "Techno Industries Private Limited" / "Techno"	Our Company has one Material Subsidiary as on this date of the date of filing of this Letter of Offer namely, Techno Industries Private Limited
"We", "Our", "Us" or "our Group"	Unless the context otherwise indicates or implies or unless otherwise specified, refers to our Company together with our Material Subsidiary, as applicable

Company Related Terms

Term	Description
Articles of Association or Articles	The articles of association of our Company, as amended from time to time
Auditors or Statutory Auditors	The current statutory auditors of our Company, namely, S Y Lodha and Associates, Chartered Accountants
Audited Standalone Financial Statements/ Financial Information/ Financial Statements	The audited standalone financial statements of our Company, comprising of statement of assets and liabilities as at March 31, 2024, the statement of profit and loss, the statement of cash flows and the statement of changes in equity for the financial year ending March 31, 2024, the summary of significant accounting policies and explanatory notes and notes to financial statements prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act.
Board/ Board of Directors/ Directors	The board of directors of our Company or a duly constituted committee thereof, as appointed from time to time
Corporate Office	A-2, Madhu Estate, 2nd Floor, Pandurang Budhkar Marg, Lower Parel, Mumbai 400 013

Term	Description
Equity Shareholders	Holders of Equity Share(s), from time to time
Equity Shares	Equity shares of face value of ₹1 each of our Company
Executive Director(s)	Whole-time Directors/ Executive Directors on our Board
Independent Director	Independent Directors on the Board, who are eligible to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, please refer to "***Our Management***" beginning on page 209 of this Letter of Offer.
Key Managerial Personnel	The key managerial personnel of our Company as per the definition provided in Regulation 2(1) (bb) of the SEBI ICDR Regulations
Materiality Policy	A policy adopted by our Company for identification of material litigation(s) for the purpose of disclosure of the same in this Letter of Offer.
Memorandum of Association/ MoA	The Memorandum of Association of our Company, as amended from time to time
Non-Executive Director(s)	The Non-executive Director(s) on the Board.
Promoters	The promoters of our Company are Mukesh R. Gupta, Rajesh R. Gupta, Abha M. Gupta, Renu R. Gupta, and Lloyds Enterprises Limited *(Formerly known as Shree Global Tradefin Limited)*
Promoter Group	The promoter group of our Company as determined in terms of Regulation 2 (1) (pp) of the SEBI ICDR Regulations, namely Ravi Agarwal, Lloyds Metals and Minerals Trading LLP, and Aeon Trading LLP. (Restricted it only to the individuals/entities that hold equity shares in the Company and have been disclosed as Promoter Group to the Stock Exchanges in the shareholding pattern.)
Proforma Condensed Consolidated Financial Statements	The proforma condensed consolidated financial information of our Material subsidiary, Techno for six months period ended September 30, 2024 and for the financial year ended March 31, 2024 for illustrative purposes presented in "***Proforma Condensed Consolidated Financial Information***" on page 321, which is meant to illustrate the impact of the acquisition of Techno, on our Company's financial position for six months period ended September 30, 2024 and for financial year ended March 31, 2024, as if the acquisition had taken place at an earlier date selected in accordance with the SEBI ICDR Regulations, and which has been prepared in accordance with Ind AS, the Guidance Note and the relevant provisions of the SEBI ICDR Regulations
Registered Office	Plot No. A-5/5, MIDC Industrial Area, Murbad, Thane 421 401
Registrar of Companies/ RoC	The Registrar of Companies, Mumbai situated at 100, Everest, Marine Drive, Mumbai 400 002
Securities Issue Committee	The committee of our Board constituted for purposes of the Issue and incidental matters thereof.
Senior Management Personnel	Senior management personnel of our Company determined in accordance with Regulation 2(1) (bbbb) of the SEBI ICDR Regulations and as described in "***Our Management***" beginning on page 209 of this Letter of Offer
Unaudited Interim Financial Information	The limited reviewed unaudited financial results for the nine months period ended December 31, 2024, prepared on standalone basis in accordance with the Regulation 33 of the SEBI Listing Regulations, Ind AS 34 "Interim Financial Reporting", prescribed under Section 133 of the Companies Act read with Rules issued thereunder and other accounting principles generally accepted in India.

Issue Related Terms

Term	Description
Abridged Letter of Offer/ ALOF	Abridged letter of offer to be sent to the Eligible Equity Shareholders with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act, 2013.
Additional Rights Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement

Term	Description
Allotment/ Allot/ Allotted	Allotment of Rights Equity Shares pursuant to the Issue
Allotment Account(s)	The account(s) opened with the Banker(s) to this Issue, into which the amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act, 2013
Allotment Account Bank(s)	Bank(s) which are clearing members and registered with SEBI as banker to an issue and with whom the Allotment Accounts have been opened, in this case being, ICICI Bank
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Investor who has been or is to be Allotted the Rights Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Allotment Date / Date of Allotment	Date on which the Allotment is made pursuant to this Issue
Allottee(s)	Person(s) to whom the Rights Equity Shares are Allotted pursuant to the Issue
Applicant(s)/ Investors	Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to apply or make an application for the Rights Equity Shares pursuant to the Issue in terms of this Letter of Offer
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process to subscribe to the Rights Equity Shares at the Issue Price
Application Form	Unless the context otherwise requires, an application form or through the website of the SCSBs (if made available by such SCSBs) under the ASBA process used by an Investor to make an application for the Allotment of Rights Equity Shares
Application Money	Amount payable at the time of Application, i.e., ₹16 per Rights Equity Share in respect of the Rights Equity Shares applied for in the Issue at the Issue Price, constituting 50 % of the Issue Price
Application Supported by Blocked Amount or ASBA	Application (whether physical or electronic) used by an ASBA Investor to make an application authorizing the SCSB to block the Application Money in a the ASBA Account maintained with the SCSB
ASBA Account	Account maintained with the SCSB and specified in the Application Form or the plain paper Application by the Applicant for blocking the amount mentioned in the Application Form or the plain paper Application
ASBA Applicant/ ASBA Investor(s)	Eligible Equity Shareholders proposing to subscribe to the Issue through ASBA process
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011, and the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, and any other circular issued by SEBI in this regard.
Banker(s) to the Issue	Collectively, the Allotment Account Bank and the Refund Bank in this case being ICICI Bank
Rights Issue Escrow Agreement/Banker to the Issue Agreement	Rights Issue Escrow Agreement dated February 06, 2025 entered amongst our Company, the Lead Manager, Registrar to the Issue and Banker to the Issue for collection of the Application Money from Applicants/Investors making an application for the Rights Equity Shares.
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange under this Issue, as described in "***Terms of the Issue***" beginning on page 362 of this Letter of Offer.
Call(s)	Notices to be issued by our Company to the holders of the Rights Equity Shares as on the Call Record Dates for making payment of the Call Monies

Term	Description
Call Money(ies)	Balance amount payable by the holders of Rights Equity Shares pursuant to the Payment Schedule, being ₹ 16 per Rights Equity Share, which constitutes 50 % of the Issue Price, after payment of the Application Money, which is payable in [not more than two Calls], with terms and conditions such as the number of Calls and the timing and quantum of each Call as may be decided by our Board/ Securities Issue Committee from time to time, to be completed on or prior to March 31, 2026. For further details, see "*Terms of this Issue*" beginning on page 362
Call Record Date(s)	Record date(s) fixed by our Company for the purpose of determining the names of the holders of Rights Equity Shares for the purpose of issuing of the Call(s)
Controlling Branches /Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate with the Registrar to the Issue and the Stock Exchanges, a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Demographic Details	Details of Investors including the Investor's address, PAN, DP ID, Client ID, bank account details and occupation, where applicable
Designated Branches	Such branches of the SCSBs which shall collect the Application Form or the plain paper application, as the case may be, used by the ASBA Investors and a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Designated Stock Exchange	BSE Limited
Draft Letter of Offer or DLOF	The Draft Letter of Offer dated November 14, 2024 filed with the SEBI and the Stock Exchanges in accordance with the SEBI ICDR Regulations
Eligible Equity Shareholder(s)	Holder(s) of the Equity Shares of our Company as on the Record Date. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders, including any shareholder located in the United States. For further details, see "*Notice to Investors*" and "*Restrictions on Purchases and Resales*" beginning on pages 12 and 395 of this Letter of Offer.
Escrow Account	One or more no-lien and non-interest-bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident investors– eligible equity shareholders as on record date making an Application through the ASBA facility
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) has been opened, in this case being ICICI Bank.
Fraudulent Borrower	Company or person, as the case may be, categorized as a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on fraudulent borrower issued by RBI as defined under Regulations 2(1)(lll) of the SEBI ICDR Regulations
IEPF	Investor Education and Protection Fund
Investor(s)	Eligible Equity Shareholder(s) and / or Renouncee(s) who are entitled to apply or make an application for the Equity Shares pursuant to the Issue in terms of the Letter of Offer.
Issue Agreement/Memorandum of Understanding/MoU	Issue Agreement dated November 06, 2024 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
ISIN	International securities identification number i.e., INE093R01011
Issue / Rights Issue	Issue of up to 30,85,17,476 Partly Paid-up Equity Shares of face value of ₹1 each of our Company for cash at a price of ₹ 32 per Rights Equity Share aggregating up to ₹ 98,725.59* Lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of 9 Rights Equity Shares for every 34 Fully Paid up Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date i.e. April 28, 2025

Term	Description
	**Assuming full subscription in the Issue, Allotment and receipt of all Call Monies with respect to the Rights Equity Shares. Subject to finalization of the Basis of Allotment.* On Application, Investors will have to pay ₹ 16 (50% of the Issue Price) per Rights Equity Share. The balance amount (after payment of the Application Money), ₹ 16 (50% of the Issue Price) per Rights Equity Share, will be payable by the Rights Equity Shareholders in not more than two Calls, with terms and conditions such as the number of Calls and the timing and quantum of each Call as may be decided by our Board/ Securities Issue Committee from time to time, to be completed on or prior to March 31, 2026, pursuant to the Payment Schedule
Issue Closing Date	Friday, May 30, 2025
Issue Opening Date	Thursday, May 15, 2025
Issue Materials	Collectively, the Letter of Offer, the Abridged Letter of Offer, the Application Form and Rights Entitlement Letter and any other material relating to the Issue
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants can submit their Applications, in accordance with the SEBI ICDR Regulations
Issue Price	₹ 32 per Rights Equity Share On Application, Investors will have to pay ₹ 16 (50% of the Issue Price) per Rights Equity Share. The balance amount (after payment of the Application Money), ₹ 16 (50% of the Issue Price) per Rights Equity Share, will be payable by the Rights Equity Shareholders in not more than two Calls, with terms and conditions such as the number of Calls and the timing and quantum of each Call as may be decided by our Board/ Securities Issue Committee from time to time, to be completed on or prior to March 31, 2026, pursuant to the Payment Schedule
Issue Proceeds or Gross Proceeds	Gross proceeds of the Issue
Issue Size	Amount aggregating up to ₹ 98,725.59 Lakhs[#] *[#]Assuming full subscription in the Issue, Allotment and receipt of all Call Monies with respect to the Rights Equity Shares. Subject to finalization of the Basis of Allotment*
Key Banker(s) to the Company	ICICI Bank and HDFC Bank Limited
Lead Manager / LM / Mark	The Lead Manager to the Issue, namely, Mark Corporate Advisors Private Limited
Letter of Offer/LOF	The final letter of offer to be filed with the Stock Exchanges after incorporating the observations received from the SEBI on the Draft Letter of Offer
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchanges in terms of the SEBI Listing Regulations
Minimum Subscription	The minimum subscription to be received in the Issue shall be at least 90% of the Issue, in accordance with Regulation 86 of the SEBI ICDR Regulations
Monitoring Agency	India Rating and Research Private Limited *(formerly known as Fitch Ratings India Private. Limited)*
Monitoring Agency Agreement	Agreement dated November 13, 2024, between our Company and the Monitoring Agency in relation to monitoring of Net Proceeds
Multiple Application Forms	More than one application form submitted by an Eligible Equity Shareholder/Renouncee in respect of the same Rights Entitlement available in their demat account. However, supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please refer to "***Objects of the Issue***" beginning on page 76 of this Letter of Offer

<table>
<tr><th>Term</th><th>Description</th></tr>
<tr><td>Non-Institutional Investors</td><td>An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1) (jj) of the SEBI ICDR Regulations</td></tr>
<tr><td>Off Market Renunciation</td><td>The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off-market transfer through a Depository Participant in accordance with the SEBI ICDR Master Circular and the circulars issued by the Depositories, from time to time, and other applicable laws

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date i.e. Friday, May 30, 2025</td></tr>
<tr><td>On Market Renunciation</td><td>The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stockbroker in accordance with the SEBI ICDR Master Circular and the circulars issued by the Stock Exchanges, from time to time, and other applicable laws, on or before Tuesday, May 27, 2025</td></tr>
<tr><td>Payment Schedule</td><td>The payment schedule in relation to the Issue Price of the Rights Equity Shares is as follows:
<table>
<tr><th>Amount Payable Per Rights Equity Share^</th><th>Face Value (₹)</th><th>Premium (₹)</th><th>Total(₹)</th></tr>
<tr><td>On Application</td><td>0.50</td><td>15.50</td><td>16.00*</td></tr>
<tr><td>Not more than two Calls with terms and conditions such as the number of Calls and the timing and quantum of each Call as may be decided by the Board/Securities Issue Committee from time to time</td><td>0.50</td><td>15.50</td><td>16.00**</td></tr>
<tr><td>Total (₹)</td><td>1.00</td><td>31.00</td><td>32.00</td></tr>
</table>
*Constitutes 50% of the Issue Price
**Constitutes 50% of the Issue Price
^For further details on Payment Schedule, see "Terms of the Issue" on page 362</td></tr>
<tr><td>Qualified Institutional Buyers or QIBs</td><td>Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations</td></tr>
<tr><td>Record Date</td><td>Designated date for the purpose of determining the Eligible Equity Shareholders eligible to apply for Rights Equity Shares, being, Monday, April 28, 2025.</td></tr>
<tr><td>Refund Bank(s)</td><td>The Banker(s) to the Issue with whom the Refund Account(s) has been opened in this case being ICICI Bank</td></tr>
<tr><td>Registrar Agreement</td><td>Agreement dated October 28, 2024, between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue.</td></tr>
<tr><td>Registrar to the Issue / Registrar to the Company/Registrar</td><td>Bigshare Services Private Limited, Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai 400 093.</td></tr>
<tr><td>Renouncee(s)</td><td>Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation</td></tr>
<tr><td>Renunciation Period</td><td>The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on Tuesday, May 27, 2025 in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through Off-Market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date</td></tr>
<tr><td>RE ISIN</td><td>ISIN for Rights Entitlement i.e. INE093R20029</td></tr>
<tr><td>Rights Entitlement(s)</td><td>Number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being 9 Equity Shares for every 34 Fully Paid-up Equity Shares held by an Eligible Equity Shareholder.</td></tr>
</table>

Term	Description
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders
Rights Equity Shares	Equity Shares of our Company to be Allotted pursuant to this Issue.
Self-Certified Syndicate Banks /SCSB(s)	Self-certified syndicate banks registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&int mId=34
Stock Exchanges	Stock exchanges where the Equity Shares of our Company are presently listed, being BSE and NSE
Transfer Date	The date on which the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange
Wilful Defaulter	Company or person, as the case may be, categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by RBI
Working Day(s)	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchange, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI

Business and Industry Related Terms

Term	Description
ABC	After Burner Chamber, is the component of the boiler where the residual carbon is burned by the excess air available.
AMC	Annual Maintenance Contract
APD	Approve of Drawings
AMH	Automated Material Handling
ASME	American Society of Mechanical Engineering
AFBC	Atmospheric Fluidised Bed Combustion, a method of burning solid fuels for the purpose of efficient and clean burning of coal and other fuel for steam generation
BEST	Brihan Mumbai Electric Supply and Transport
BIS	Bureau of Indian Standards
BOC	Bought out Components
COP	Car Operating Panels
CAPEX	Capital Expenditure
CNC	Computer Numerical Control
CFBC	Circulating Fluidised Bed Combustion, are popular for large-scale combustion operations
CRM	Cold Rolling Mill
CAGR	Compound Annual Growth Rate
DRI	Direct Reduced Iron
DRGS	Drawings
DSC	Differential Scanning Calorimetry, a thermodynamical tool for direct assessment of the heat energy uptake
DSF	Discovered Small Fields
EPC	Engineering, Procurement and Construction

Term	Description
EPS	Eco Pickled Surface
FGD	Flue Gas Desulfurization
FU	Follow-Up
FHP	Fractional Horsepower
GA	General Arrangements
GDP	Gross Domestic Product
GW	Giga Watt (One billion watts)
GFCE	Government Final Consumption Expenditure
GHG	Green House Gass
HDG	Hot-Dip Galvanised
HSM	Hot Strip Mill
HRM	Hot Rolling Mill
HSLA	High-Strength Low-Alloy
ISA	Indian Steel Association
IBR	Indian Boiler Regulation
IEA	International Energy Agency
KOM	Kick of Meeting
LOI	Letter of Inference
LOP	Landing Operating Panels
LPG	Liquid Petroleum Gas
MKTG	Marketing
MT	Million Tonnes
MMT	Million Metric Tonnes
MTPA	Million Tonnes Per Annum
MSEDCL	Maharashtra State Electricity Distribution Company Limited
MPCB	Maharashtra Pollution Control Board
MIDC	Maharashtra Industrial Development Corporation
NFU	Non- Follow Up
NSP	National Steel Policy
OALP	Open Acreage Licensing Policy
OECD	Organization of Economic Cooperation and Development
P.D.C.A	Plan, Do, Check, Act
PO	Purchase Order
PESO	Petroleum and Explosives Safety Organization
PMS Motors	Permanent magnet synchronous
PSU	Public Sector Undertaking
QA	Quality Assurance
QAP	Quality Assurance Plan
QC	Quality Control
REPP	Renewable Energy Power Plant
SMS	Steel Metal Shop
SIMS	Steel Import Monitoring System
SPR	Strategic Petroleum Reserves
TPI	Third Party Inspection
TMT	Thermo Mechanically Treated Steel
UVSL	Uttam Value Steels Limited, now renamed as Evonith Value Steels Limited
WHRB	Waste Heat Recovery Boilers, uses the heat from waste gases to generate steam or hot water
WHR	Waste Heat Recovery

Conventional and General Terms/Abbreviations

Term	Description
Rs, ₹, Rupees or INR	Indian Rupees
AGM	Annual General Meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AY	Assessment year
BSE	BSE Limited
CAGR	Compound annual growth rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate identity number
Companies Act, 1956	Erstwhile Companies Act, 1956 along with the rules made thereunder
Companies Act, 2013/ Companies Act	Companies Act, 2013 along with the rules made thereunder
COO	Chief Operating Officer
CrPC	Code of Criminal Procedure, 1973
Depositories Act	Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996
Depository Participant / DP	A depository participant as defined under the Depositories Act
DIN	Director Identification Number
DP ID	Depository Participant's identification
DTAA	Double Taxation Avoidance Agreement
EBITDA	Profit/(loss) after tax for the year adjusted for income tax expense, interest costs, depreciation and amortization expense, as presented in the statement of profit and loss
EGM	Extraordinary general meeting
EPS	Earnings per Equity Share
FCNR Account	Foreign currency non-resident account
FDI Circular 2020	Consolidated FDI Policy dated October 15, 2020, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
FEMA	Foreign Exchange Management Act, 1999, together with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year, Fiscal Year or Fiscal/FY	Period of 12 months ended March 31 of that particular year, unless otherwise stated
FIR	First information report
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign venture capital investors as defined under and registered with SEBI pursuant to the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 registered with SEBI
GAAP	Generally accepted accounting principles
GDP	Gross domestic product
GoI or Government	Government of India
GST	Goods and Service Tax
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
Income Tax Act	Income-tax Act, 1961

Term	Description
Ind AS	Indian accounting standards as specified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended
IFRS	International Financial Reporting Standards
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
ITAT	Income Tax Appellate Tribunal
LTV	Loan to value ratio
MCA	Ministry of Corporate Affairs
Mutual Fund	Mutual fund registered with SEBI under the Securities and Exchange Board of (Mutual Funds) Regulations, 1996
Net Asset Value per Equity Share or NAV per Equity Share	Net Worth/ Number of Equity shares subscribed and fully paid outstanding as at end of the reporting period
Net Worth	Aggregate of Equity Share capital and other equity
NBFC	Non-banking financial companies
NPA(s)	Non-performing assets
NRE Account	Non-resident external account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO Account	Non-resident ordinary account
NSE	National Stock Exchange of India Limited
NSDL	National Securities Depository Limited
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 03, 2003, and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
PAN	Permanent account number
PAT	Profit after tax
QP	Qualified purchaser as defined in the U.S. Investment Company Act
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the U.S. Securities Act
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI ICDR Master Circular	SEBI circular bearing number SEBI/HO/CFD/PoD- 2/P/CIR/2023/00094 dated June 21, 2023
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations / SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Relaxation Circulars	SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 06, 2020, read with SEBI circulars bearing reference numbers SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, and SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021, as amended

Term	Description
Stock Exchanges	BSE and NSE
STT	Securities transaction tax
Supreme Court	Supreme Court of India
TAT	Turnaround time
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
Total Borrowings	Aggregate of debt securities, borrowings (other than debt securities) and subordinated liabilities
U.S.$, USD, $, or U.S. dollar	United States Dollar, the legal currency of the United States of America
U.S. Investment Company Act	Investment Company Act of 1940, as amended
U.S. Person	U.S. persons as defined in Regulation S under the U.S. Securities Act or acting for the account or benefit of U.S. persons (not relying on Rule 902(k)(1)(viii)(B) or Rule 902(k)(2)(i) of Regulation S)
U.S. QIB	Qualified Institutional Buyer as defined in Rule 144A
USA, U.S. or United States	United States of America
U.S. SEC	U.S. Securities and Exchange Commission
U.S. Securities Act or Securities Act	U.S. Securities Act of 1933, as amended
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be
WHO	World Health Organization

NOTICE TO INVESTORS

The distribution of this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and any other offering material (collectively, the "**Issue Materials**") and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Issue Material may come are required to inform themselves about and observe such restrictions. For more details, see "***Restrictions on Purchases and Resales*"** beginning on page 395.

In accordance with the SEBI ICDR Regulations, Issue Materials will be sent/ dispatched by email/ courier only to the Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their email address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue materials will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas Shareholders, who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to e-mail or send a physical copy of this Letter of offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form and other applicable Issue materials, shall not be sent this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter the Application Form and other applicable Issue materials.

Investors can also access this Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Lead Manager and the Stock Exchanges.

Our Company, the Lead Manager, and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that this Letter of Offer is being filed with SEBI and the Stock Exchanges. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed, in whole or in part, in (i) the United States, or (ii) any jurisdiction other than India except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Issue Materials will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Issue Materials must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of the Issue Materials should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Issue Materials to any person outside India where to do so, would or might contravene local securities laws or regulations. If the Issue Materials is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares, or the Rights Entitlements referred to in the Issue Materials.

Any person who purchases or renounces the Rights Entitlements or makes an application to acquire the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is outside the United States and is eligible and authorised to purchase or sell the Rights Entitlements or acquire the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates or the Lead Manager or their respective affiliates to make any filing or registration (other than in India). In addition, each purchaser or seller of Rights Entitlements and the Rights Equity Shares will be deemed to make the representations, warranties, acknowledgments and agreements set forth in the "***Restrictions on Purchases and Resales***" section beginning on page 395.

Our Company, in consultation with the Lead Manager and the Registrar, or any other person acting on behalf of our Company reserves the right to treat any Application Form as invalid where they believe any Application which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or any other jurisdiction where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting the Application Form is outside the United

States and such person is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided; or (iv) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

Neither the delivery of this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer, Abridged Letter of Offer and the Application Form and Rights Entitlement Letter or the date of such information.

THE CONTENTS OF THIS LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE ISSUE OF RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT THEIR OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE ISSUE OF RIGHTS EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OF AMERICA OR THE TERRITORIES OR POSSESSIONS THEREOF ("**UNITED STATES**"), EXCEPT IN A TRANSACTION NOT SUBJECT TO, OR EXEMPT FROM, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. ACCORDINGLY, THE RIGHTS EQUITY SHARES ARE ONLY BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES IN "OFFSHORE TRANSACTIONS" AS DEFINED IN AND IN RELIANCE ON REGULATION S UNDER THE U.S. SECURITIES ACT TO ELIGIBLE EQUITY SHAREHOLDERS LOCATED IN JURISDICTIONS WHERE SUCH OFFER AND SALE IS PERMITTED UNDER THE LAWS OF SUCH JURISDICTIONS. THE OFFERING TO WHICH THIS LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT. YOU SHOULD NOT FORWARD OR TRANSMIT THIS LETTER OF OFFER INTO THE UNITED STATES AT ANY TIME. THERE IS NO INTENTION TO REGISTER ANY PORTION OF THE ISSUE OR ANY OF THE SECURITIES DESCRIBED HEREIN IN THE UNITED STATES OR TO CONDUCT A PUBLIC OFFERING OF SECURITIES IN THE UNITED STATES.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and this Letter of Offer, Abridged Letter of Offer and Application Form and Rights Entitlement Letter will be dispatched only to Eligible Equity Shareholders who have an address in India. Any person who acquires or sells Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not, and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

The Rights Entitlements may not be transferred or sold to any person in the United States.

The Rights Entitlements and the Equity Shares have not been approved or disapproved by the US Securities and Exchange Commission (the "**US SEC**"), any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Equity Shares or the accuracy or adequacy of this Letter of Offer.

Any representation to the contrary is a criminal offence in the United States.

The above information is given for the benefit of the Applicants/ Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under the applicable laws or regulations.

In making an investment decision, investors must rely on their own examination of our Company and the terms of the Issue, including the merits and risks involved.

THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND CURRENCY OF PRESENTATION

Certain Conventions

All references to "India" contained in this Letter of Offer are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable.

Unless otherwise specified or the context otherwise requires, all references in this Letter of Offer to the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions, any state of the United States.Unless otherwise specified, any time mentioned in this Letter of Offer is in Indian Standard Time ("**IST**"). Unless indicated otherwise, all references to a year in this Letter of Offer are to a calendar year.

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Unless stated otherwise, all references to page numbers in this Letter of Offer are to the page numbers of this Letter of Offer.

Financial Data

The Government of India has adopted the Indian accounting standards ("**Ind AS**"), which are converged with the International Financial Reporting Standards of the International Accounting Standards Board ("**IFRS**") and notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (the "**Ind AS Rules**").

Our Company's financial year commences on April 01 of each Calendar Year and ends on March 31 of the next Calendar Year. Accordingly, all references to a particular 'Financial Year' or 'Fiscal Year' or 'Fiscal', unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Letter of Offer has been derived from our Audited Financial Statements. For details, please see "***Financial Information***" beginning on page 216 of this Letter of Offer.

Further, certain financial information pertaining to Our Material Subsidiary Techno is derived from the Audited Financial Statements.

Unless stated or the context requires otherwise, our financial data (a) as at and for the Financial Year ended March 31, 2024 and March 31, 2023 included in this Letter of Offer is derived from the Audited Financial Statements for the Financial Year ended March 31, 2024 and March 31, 2023; and (b) Unaudited Interim Financial Information of our Company, and its share of net profit after tax and total comprehensive income, which comprises of the statement of profit and loss (including other comprehensive income) for the nine months period ended December 31, 2024 together with selected explanatory notes thereon, prepared in accordance with Ind AS 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act read with relevant rules issued thereunder and other accounting principles generally accepted in India. For further information, see "***Financial Information***" on page 216 of this Letter of Offer.

The Unaudited Financial Statements of our Company for the nine months period ended December 31, 2024 and Audited Financial Statements for the Financial Year ended March 31, 2024 and March 31, 2023 have been prepared in accordance with Ind AS, as prescribed under Section 133 of Companies Act read with the Ind AS Rules and other the relevant provisions of the Companies Act and in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised), 2019, issued by the ICAI. Our Company publishes its financial statements in Rupees in Lakhs.

Our Company acquired a subsidiary, i.e., Techno, on July 30, 2024. Accordingly, we have included in this Letter of Offer, the Proforma Condensed Consolidated Financial Statements of our Company for the six months period ended September 30, 2024 and for the financial year ended March 31, 2024, to illustrate the impact of the Techno

Acquisition on our Company's financial position as at March 31, 2024 and our Company's financial performance for the year ended March 31, 2024, as if the acquisition had taken place at an earlier date selected in accordance with the SEBI ICDR Regulations (the "Proforma Condensed Consolidated Financial Statements"). The Proforma Condensed Consolidated Financial Statements has been prepared in accordance with Ind AS, the Guidance Note and the relevant provisions of the SEBI ICDR Regulations.

In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off and unless otherwise specified all financial numbers in parenthesis represent negative figures. Our Company has presented all numerical information in the Financial Statements in whole numbers and in this Letter of Offer in "lakh" units or in whole numbers where the numbers have been too small to represent in lakh. One lakh represents 1,00,000, one million represents 1,000,000, one crore represents 10,000,000 and one billion represents 1,000,000,000.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Letter.

Certain figures contained in this Letter of Offer, including financial information, have been subject to rounded off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Letter of Offer, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

Currency and Units of Presentation

All references to:

- "Rupees" or "Rs" or "INR" or "₹" are to Indian Rupee, the official currency of the Republic of India; and
- "USD" or "US$" or "$" are to United States Dollar, the official currency of the United States of America.
- "Euro" or "€" are to Euros, the official currency of the European Union.

Our Company has presented certain numerical information in this Letter of Offer in "lakh" or "Lac" units or in whole numbers. One lakh represents 1,00,000 and one million represents 1,000,000. All the numbers in the document have been presented in lakh or in whole numbers where the numbers have been too small to present in lakh. Any percentage amounts, as set forth in "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Conditions and Results of Operation***" beginning on pages 25, 174 and 302 and elsewhere in this Letter of Offer, unless otherwise indicated, have been calculated based on our Financial Information.

Exchange Rates

This Letter of Offer contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

(in ₹)

Name of the Currency	As of March 28, 2025	As of March 28, 2024	As of March 31, 2023
1 United States Dollar	85.58	83.37	82.22
1 Euro	92.32	90.22	89.61

(Source: RBI reference rate)
Note: In case March 31 of any of the respective years / period is a public holiday, the previous Working Day not being a public holiday has been considered.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Letter of Offer has been obtained or derived from the industry report titled "*Assessment of heavy engineering, capital goods, elevators & escalators and selected motors industries in India*" dated October 21, 2024 with Addendum I to the report prepared by CRISIL Market Intelligence & Analytics, a division of CRISIL Limited ("**CRISIL MI&A**" and such report, the "**CRISIL Report**") which has been prepared exclusively for the purpose of understanding the industry in connection with the issue and commissioned and paid for by our Company, pursuant to the engagement letter dated July 23, 2024. The CRISIL Report will be available on the website of our Company at www. https://lloydsengg.in/investors/#rights from the date of this Letter of Offer until the Issue Closing Date.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Further, information has been derived from the CRISIL Report. The CRISIL Report has been prepared by CRISIL MI&A and commissioned and paid for by our Company, for an agreed fee. CRISIL MI&A is an independent agency with no relationship with and is not a related party of our Company, our Promoter or our Directors or our Subsidiaries or its Associates or the Lead Manager. Although we believe the industry and market data used in this Letter of Offer is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "***Risk Factors***" beginning on page 25 of this Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Letter of Offer is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Letter of Offer. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Accordingly, investment decisions should not be based solely on such information. For details, see "*Risk Factors – This Letter of Offer contains information from third parties, including an industry report commissioned and paid for which is exclusively prepared for the purposes of the Issue and issued by CRISIL Limited, which has been used for industry related data in this Letter of Offer. Accordingly, prospective investors are advised not to base their investment decision solely on such information*." on page 48.

The data and statistics contained in this Letter of Offer from the CRISIL Report is subject to the following disclaimer:

"*CRISIL Market Intelligence & Analytics (CRISIL MI&A), a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report (CRISIL Report) based on the information obtained by CRISIL from sources which it considers reliable (Data). Forecasts, estimates and other forward-looking statements contained in this CRISIL Report are inherently uncertain and could fluctuate due to changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. This CRISIL Report is not a recommendation to invest/disinvest in any entity covered in the CRISIL Report and no part of this CRISIL*

Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Without limiting the generality of the foregoing, nothing in the CRISIL Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. The Company will be responsible for ensuring compliance and consequences of non-compliance for the use of the CRISIL Report or part thereof outside India. CRISIL MI&A operates independently of and does not have access to information obtained by CRISIL Ratings Limited, which may, in its regular operations, obtain information of a confidential nature. The views expressed in this CRISIL Report are those of CRISIL MI&A and not of CRISIL Ratings Limited. No part of this CRISIL Report may be published/reproduced/extracted in any form without CRISIL MI&A's prior written approval."

FORWARD LOOKING STATEMENTS

Certain statements contained in this Letter of Offer that are not statements of historical fact constitute “forward-looking statements”. Investors can generally identify forward-looking statements by terminology such as “will", "may", "aim", "is likely to result", "believe", "expect", "continue", "anticipate", "estimate", "intend", "plan", “potential”, "contemplate", "seek to", "future", "objective", "goal", "project", "should", "pursue" and similar expressions or variations of such expressions, that are "forward looking statements". However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Letter of Offer that are not historical facts. However, these are not the exclusive means of identifying forward-looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements contained in this Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements, expressed or implied by such forward-looking statements or other projections, to differ materially from those contemplated by the relevant forward-looking statement. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries we cater and our ability to respond to them, our ability to successfully implement our strategies, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence.

Certain important factors that could cause actual results to differ materially from our Company’s expectations include, among others:

- Any adverse outcome in litigation proceedings in which our Company is involved;
- Non-compliance with certain financial covenants of the financing and debt facilities availed by our Company; Any adverse changes in central or state government policies;
- Occurrence of natural calamities or natural disasters affecting the areas in which our Company has operations;
- Changes in weather conditions, which may affect wind patterns;
- Any adverse development that may affect our operations;
- General, political, economic, social and business conditions in India and other global markets; and
- Dependence on a number of key management personnel and senior management personnel and our ability to attract and retain qualified personnel.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, please refer to "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Position and Results of Operations***" beginning on pages 25, 174 and 302 respectively of this Letter of Offer. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Letter of Offer and are not a guarantee of future performance. These statements are based on assumptions, which in turn are based on currently available information.

Given these uncertainties, Investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Letter of Offer or the respective dates indicated in this Letter of Offer, and our Company and the Lead Manager undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialise, or if any of our Company’s underlying assumptions prove to be incorrect, the actual results of

operations or financial condition of our Company could differ materially from that described herein as anticipated, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements. In accordance with SEBI and Stock Exchange requirements, our Company and the Lead Manager will ensure that the Eligible Equity Shareholders are informed of material developments until the time of the grant of listing and trading permissions for the Equity Shares by the Stock Exchanges.

SUMMARY OF LETTER OF OFFER

The following is a general summary of certain disclosures included in this Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Letter of Offer or all details relevant to the prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Letter of Offer, including, "***Risk Factors", "Capital Structure", "Objects of the Issue***", "***Our Business***" and "***Outstanding Litigation and Defaults***" beginning on pages 25, 71, 76, 174 and 342, respectively of this Letter of Offer.

1. **Primary Business of our Company**

Our Company is a process plant equipment manufacturing company. Our Company, *inter alia*, provides engineering and infrastructure solutions, encompassing designing, engineering, manufacturing, fabrication and installation of heavy equipment, as well as machinery and systems for customers of hydrocarbon (oil & gas) sector, steel processing industries, captive power plants used in steel plants, marine sector, ports, heat exchangers used by nuclear power plants as well as other projects. We also offer services in civil construction related projects. For further information, please refer to "***Our Business***" beginning on page 174 of this Letter of Offer.

2. **Primary Industry in which our Company operates**

Our Company caters to a diverse range of industries, primarily Hydrocarbon, Steel, Naval and Defence, Power, Electrical Equipment. For further information, please refer to "***Industry Overview***" beginning on page 106 of this Letter of Offer.

3. **Our Promoters**

The Promoters of our Company are (i) Mukesh R. Gupta; (ii) Rajesh R. Gupta; (iii) Abha M Gupta; (iv) Renu R. Gupta; and (v) Lloyds Enterprises Limited.

4. **Subscription to the Issue by our Promoters and Promoter Group**

For details please see, ***"Capital Structure – Intention and extent of participation by our Promoters and Promoter Group in the Issue***" beginning on page 71 of this Letter of Offer.

5. **Objects of the Issue**

The proposed utilization of the Net Proceeds is set forth in the following table,

(₹ in lakhs)

Particulars		**Amount****
(A)	***Our Company:***	
1.	Funding the capital expenditure towards replacement of Industrial Shed's Wall & Roof Sheeting, Repair, Restoration and Strengthen of entire Structure, at existing workshops at Murbad, Thane, Maharashtra	3,906.15
2.	Funding of acquisition of the Engineering Assets of Bhilai Engineering Corporation Limited and overhauling and refurbishment of the machineries thereof	13,400.00
3.	Funding the working capital requirements of our Company	33,653.00
4.	Investment in the equity shares of Techno Industries Private Limited (second tranche)	2,500.00
5.	Funding of unidentified acquisition and General Corporate Purposes*	34,431.45
(B)	***Techno Industries Private Limited:***	
1.	Funding the acquisition of leasehold rights of the land as well as shed thereon of the existing factory, situated at Plot No. 5002, Phase IV, GIDC, Vatva, Ahmedabad, Gujarat;	2,000.00
2.	Funding the capital expenditure requirements towards purchase of machineries at existing factories situated at Plot No. 5002 and Plot No. 505, Phase IV, GIDC, Vatva, Ahmedabad	3,296.93

Particulars	Amount**
3. Funding the working capital requirements	3,340.00
Total Net Proceeds	**96,527.53**

** Subject to adjustment upon finalization of Issue related expenses and finalization of the Basis of Allotment.The amount utilised for funding of unidentified acquisition and general corporate purposes shall not individually exceed 25% of the Gross Proceeds and will not collectively exceed 35% of the Gross Proceeds.*

*** assuming full subscription in the Issue, receipt of all Call Monies with respect to the Rights Equity Shares. Subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio*

6. ***Summary of Financial Information***

Following are the details as per the Audited Financial Statement as at and for the Financial Years ended on March 31, 2024, and March 31, 2023:

(₹ in Lakhs, except share data)

Sr. No.	Particulars	March 31, 2024	March 31, 2023
1.	Authorised Share Capital (Equity Share Capital and Preference Share Capital)	12,000.00	12,000.00
2.	Paid-up Capital	11,446.29	9,886.98
3.	Net Worth attributable to Equity Shareholders^	41,119.81	19,536.43*
4.	Total Revenue	63,167.61	31,840.61
5.	Profit/(Loss) after tax	7,983.83	3,682.31
6.	(a) Earnings per Share Basic (in ₹)	0.74	0.38
6. (b)	Earnings Per Share diluted (in ₹)	0.73*	0.35*
7.	Net Asset Value per Equity Share (in ₹)	3.59	1.98
8.	Total Borrowings	6,080.88	4,639.93

**Including Money Received against Convertible Warrants*

^ Net Worth: Net worth is computed in accordance with Section 2(hh) of SEBI ICDR Regulations. "net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

*** As required by IND AS 33, Diluted EPS does not include the effect of OFCDs as it has antidilutive effect on EPS.*

Following are the details as per the Unaudited Interim Financial Information for the nine months period ending December 31, 2024:

(₹ In Lakhs except per Share Data)

Sr. No.	Particulars	For the Nine Months period ended December 31, 2024 (Standalone)	For the Nine Months period ended December 31, 2024 (Consolidated)
1.	Authorised Share Capital (Equity Share Capital and Preference Share Capital)	20,000.00	20,000.00
2.	Paid-up Capital	11,622.35	11,622.35
3.	Net Worth attributable to Equity Shareholders^	62,401.23	64,254.00
4.	Total Revenue	59,446.26	63,117.03
5.	Profit/(Loss) after tax	8,284.92	8,549.21
6.	Earnings per Share Basic (in ₹) (not annualised)	0.72	0.74
7.	Earnings Per Share diluted (in ₹) (not annualised)	0.71	0.73
8.	Net Asset Value per Equity Share (in ₹)	5.37	5.53
9.	Total Borrowings	8,432.24*	12,434.46*

**Inclusive of Bank Guarantees*

For further details, please refer the section titled "***Financial Information***" on page 216 of this Letter of Offer.

7. ***Outstanding Litigations***

A summary of outstanding litigation proceedings involving our Company as on the date of this Letter of Offer is provided below:

*(₹ in Lakhs)^*

Nature of Cases	No. of outstanding cases	Amount Involved
Litigation involving our Company		
Criminal proceedings	1	15.00
Material civil litigation against our Company	4	*Amount not quantifiable*
Material civil litigation by our Company	5	571.33
Actions by statutory or regulatory Authorities	3	1,061.40*
Direct and indirect tax proceedings	10	1,751.41
Litigation involving our Promoters (including Promoter Group)		
Criminal proceedings	3	7,273.36
Material civil litigation against our Promoters	NIL	NIL
Material civil litigation by our Promoters	NIL	NIL
Actions by statutory or regulatory authorities	NIL	NIL
Direct and indirect tax proceedings	8	3,911.24
Litigation involving our Directors		
Criminal proceedings	Nil	Nil
Material civil litigation against our Directors	Nil	Nil
Material civil litigation by our Directors	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil
Litigation involving our Subsidiary		
Criminal proceedings against our Subsidiary	Nil	Nil
Criminal proceedings by our Subsidiary	7	77.22
Material civil litigation against our Subsidiary	Nil	Nil
Material civil litigation by our Subsidiary	2	86.19
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	3	314.09

^To the extent quantifiable
**Includes outstanding direct and indirect tax for prior years but excluding accrued interest thereon*

For details, please refer to chapter titled "***Outstanding Litigations and Material Developments***" on page 342 of this Letter of Offer.

8. **Risk Factors**

For details of potential risks associated with our ongoing business activities and industry, investment in Equity Shares of the Company, material litigations which impact the business of the Company and other economic factors please refer to "***Risk Factors***" beginning on page 25 of this Letter of Offer.

9. **Contingent Liabilities**

Please refer to the chapters titled "***Management's Discussion and Analysis of Financial Position and Results of Operations - Contingent Liabilities and Commitments***" beginning on page 317 of the Financial Information section in this Letter of Offer.

10 **Related Party Transactions**

For further details, please refer to "***Financial Information***" on page no 216 in this Letter of Offer

11. **Issue of equity shares made in last one year for consideration other than cash**

Except as disclosed below, Our Company has not made any issuances of Equity Shares in the last one year for consideration other than cash.

The Company has acquired 82,50,000 Equity Shares (66%) stake of Techno Industries Private Limited ("TIPL") from Mr. Bharat J. Patel, the Promoter and Shareholder of TIPL in consideration other than cash for which Preferential Allotment of 1,76,05,634 Equity Shares of the Company was made to Mr. Bharat J. Patel on 15th October 2024 (Promoter and Shareholder of TIPL) not belonging to Promoters/ Promoter Group of the Company i.e. swap of Equity Shares of both the companies (i.e. 1,76,05,634 Equity Shares of Lloyds Engineering Works Limited was issued and allotted, for 82,50,000 Equity Shares held by Mr. Bharat J. Patel in Techno Industries Private Limited).

The allotment of 1,76,05,634 equity shares to Mr. Bharat Jivanlal Patel on preferential basis on October 15, 2024, as part of the acquisition of Techno Industries Private Limited (TIPL), constitutes 1.51% of the issued, subscribed and paid-up capital of our Company.

The current shareholding of Bharat J. Patel (allottee) in our Company stands at 1.53% of the issued, subscribed and paid-up capital, the details of which are as under:

Date of Allotment/ Market Purchase	Number of shares	% of issued, subscribed and paid-up capital	Paid Up Share Capital (in ₹)
October 15, 2024	1,76,05,634	1.51	1,16,22,35,126
February 28, 2025	1,82,000	0.02	1,16,55,10,466
March 04, 2025	650	Negligible	1,16,55,10,466
Total	**1,77,88,284**	**1.53**	**1,16,55,10,466**

12. **Split or consolidation of Equity Shares in the last one year**

Our Company has not carried any split or consolidation of Equity Shares in the last one year.

13. Listing Details

Our Company's equity shares are listed on BSE Limited and National Stock Exchange of India Limited, the details of which are as under:

Security Codes for the Equity Shares	ISIN: INE093R01011 BSE: 539992 NSE: LLOYDSENGG

Further, there are no past non-compliance indicated by SEBI/ Stock exchanges for the FY 2023-24 and FY 2024-25.

SECTION II - RISK FACTORS

*An investment in equity shares involves a high degree of risk. You should carefully consider all the information disclosed in this Letter of Offer, including the risks and uncertainties described below and the "**Financial Information**" on page 216 of this Letter of Offer, before making an investment in the Equity Shares. The risks described below are not the only risks relevant to us or Equity Shares or the industries in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business, cash flows, prospects, results of operations and financial condition. In order to obtain a complete understanding about us, investors should read this section in conjunction with "**Industry Overview**", "**Our Business**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" beginning on pages 106, 174, and 302, respectively, as well as the other financial information included in this Letter of Offer. If any of the risks described below, or other risks that are not currently known or are currently deemed immaterial actually occur, our business, cash flows, prospects, results of operations and financial condition could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of the value of their investment. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below.*

However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Issue. The following factors have been considered for determining the materiality:

1. *some events may not be material individually but may be found material collectively;*
2. *Some events may have material impact qualitatively instead of quantitatively; and*
3. *Some events may not be material at present but may have material impact in future.*

*This Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Letter of Offer. Any potential investor in, and purchaser of, the Equity Shares should pay particular attention to the fact that our Company is an Indian company and is subject to a legal and regulatory environment which, in some respects, may be different from that which prevails in other countries. For further information, please refer to "**Forward Looking Statements**" beginning on page 19 of this Letter of Offer.*

*Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Financial Statements and Unaudited Interim Financial Information included in this Letter of Offer. For further information, please refer to "**Financial Information**" beginning on page 216 of this Letter of Offer. In this section, unless the context requires otherwise, any reference to "we", "us" or "our" refers to Lloyds Engineering Works Limited (formerly known as "Lloyds Steels Industries Limited").*

INTERNAL RISK FACTORS

1. ***An inability to fully and timely integrate the operations of, or leverage potential operating and cost efficiencies from, recent acquisitions undertaken by us, as well as any proposed acquisitions, may not yield the resultant benefits and may have a material adverse impact on our business.***

The Board of Directors of our Company, in their Board Meeting held on July 30, 2024, subject to approval of our shareholders, approved the acquisition of shares of Techno Industries Private Limited ("**Techno**") in three (3) tranches (Consisting of Swap of Shares and Cash) and accordingly entered into a share purchase and shareholders agreement dated July 30, 2024, with the shareholders of Techno. On August 29, 2024, our shareholders approved the swap of equity shares for the first tranche of this acquisition. The consideration for the first tranche was to be settled by way of issuance of equity shares of our Company, valuing ₹ 15,000.00 Lakhs (i. e. 82,50,000 equity shares of Techno, equating to 66% of Techno's outstanding equity shares), on swap basis, as per preferential issue guidelines, to the shareholders of Techno, and accordingly, 1,76,05,634 equity shares of our Company were allotted on October 15, 2024 to Bharat J Patel *(erstwhile promoter of Techno)*, and also by way of payment of cash of ₹ 2,500.00 Lakhs to Bharat J Patel, which has been paid on October 21, 2024, in exchange of 13,75,000 equity shares, equating to 11% of the total outstanding equity shares of Techno. As per SEBI Listing

Regulations, since Techno has contributed to more than 10% of our income (revenue) as well as net worth for Fiscal 2024, it is our Material Subsidiary.

Techno is engaged in the business of manufacturing and marketing of elevators and escalators, motors and pumps and pursuant to its acquisition, our Company has forayed in the business of manufacturing and marketing of pumps, motors, elevators and escalators.

Our results of operations for the nine months period ended December 31, 2024, and for the quarter ended December 31, 2024, reflects the consolidated results of our Company for the first time since the acquisition. Accordingly, our results of operations may not be comparable with our results of operations for previous quarters. For further information relating to our acquisition strategy, see "***Our Business***" on page 174.

The acquisition involves the integration of a separate company that previously operated independently and has different systems, processes and cultures. We will continue to invest significant management time and financial resources to integrate and manage our high and acquired operations, overcome market challenges that we may be unfamiliar with, and assimilate business practices. However, the process of integrating a company, business or technology is subject to certain risks and may create unforeseen difficulties and challenges. The process of combining Techno with our operations may be disruptive to both of our businesses and may cause an interruption of, or a loss of momentum in, such businesses as a result of the following difficulties, among others:

- potential loss of key employees of acquired businesses and cultural challenges associated with integrating employees from the acquired company into our organization;
- the incurrence of debt, liabilities, amortisation expenses or impairment of intangibles including goodwill, and any known or unknown obligations that we may take on;
- inconsistencies in standards, controls, procedures and policies among Techno and our existing operations make it more difficult to implement and harmonize company-wide financial, accounting, billing, information and other systems;
- diversion of management's attention from other existing business concerns;
- failure to maintain the quality of services that we have historically provided;
- failure to identify or adequately assess the magnitude of certain liabilities, shortcomings or other circumstances prior to the acquisitions, which could result in unexpected legal or regulatory exposure, unfavourable accounting treatment or unexpected increase in taxes;
- additional claims or litigations related to the business.
- diversion of management's attention from our day-to-day business as a result of the need to deal with the foregoing disruptions and difficulties; and
- the added costs of dealing with such disruptions.

In addition, managing operations at various locations may be a difficult function as the Directors may not be able to devote their time and attention to all the units simultaneously. Failure to manage the integration of business will affect our operations and performance, which may negatively impact our results. Further, we cannot assure you that we will be able to retain key technical and management personnel or that we will realize the anticipated benefits of the acquisition, either at all or in a timely manner.

If we are unable to successfully integrate or manage such entity as planned, reap anticipated benefits from such initiatives, or if we are unable to achieve operating and financial synergies or economies of scale that we expect, as a result of any of the foregoing or other risks or challenges, or for any other reason, our business, results of operations and financial condition may be adversely affected. Although we continue to evaluate strategic acquisition opportunities, such acquisitions or operations acquired, may not be profitable or may not achieve sales levels and profitability that justify the investments made.

2. ***We derive a substantial portion of our revenue from operations from a limited number of customers. Our top 10 (ten) customers contributed ₹ 54,633.21lakhs, ₹ 60,038.13 lakhs, and ₹ 30,130.00 lakhs respectively to our revenue from operations for nine months period ended December 31, Fiscal 2024, and 2023 comprising of 94.6%, 96.17% and 96.38% of the total revenue from operations respectively. Lloyds Metals & Energy Limited (related party) constitutes ₹ 37,892.47 Lakhs (65.64%), ₹ 44,079.10***

Lakhs (70.41 %) and ₹ 24,426.15 Lakhs (78.14%) of our Revenue from Operations for the nine months period ended December 31, Fiscal 2024, and 2023 respectively. Our business is dependent on our continuing relationships with our customers and any deterioration in our relations with any of them could materially and adversely affect our business, results of operations, cash flows and financial condition.

We depend on a limited number of customers i.e., 38, 52 and 36 for nine months period ended December 31, 2024, Fiscal 2024, and 2023 respectively**,** which exposes us to high risk of customer concentration. For instance, during the nine months period ended December 31, Fiscal 2024 and 2023, our top 10 (ten) customers contributed ₹ 54,633.21 Lakhs (94.64 %), ₹ 60,038.13 Lakhs (96.17%) and ₹ 30,130.00 Lakhs (96.38%), respectively of which, revenues from Lloyds Metals & Energy Limited (related party) constituted ₹ 37,892.47 Lakhs (65.64%), ₹ 44,079.10 Lakhs (70.41%) and ₹ 24,426.15 Lakhs (78.14%) to our Revenue from Operations for nine months period ended December 31, 2024, Fiscal 2024 and Fiscal 2023, respectively.. Our Company derives significant revenue (approximately 75%) from its related parties which may pose a risk of preferential treatment, lack of fair pricing, or governance issues. It may also pose threat to the business of our Company in case any related parties do not perform well.

Fluctuations in performance of industries in which certain of our customers operate including adverse general economic conditions or decline in business/sales of such customers, unfavourable financial position of such customers or our relationships with these customers may result in a loss of customers, decrease in the volume of work we undertake for a number of reasons, or the price at which we offer our services or if such customers decide to choose our competitors over us, could materially and adversely affect our business, results of operations, cash flows and financial condition. For details of our business, see "***Our Business***" on page 174 of this Letter of Offer

We cannot assure you that we will be able to maintain historic levels of business from our top 10 customers, or that we will be able to reduce customer concentration in the future. The volume and timing of sales to our top 10 customers may vary due to variation in demand from such customers Any decrease in the demand for our products from our top 10 customers, or a termination of our arrangements with them, could adversely impact our business, results of operations, financial condition and cash flows.

Larger contracts from few customers may represent a larger part of our portfolio, increasing the potential volatility of our results and exposure to individual contract risks. We may be vulnerable to accepting onerous contractual terms with regard to change in scope of work or inclusion of additional work within the scope of an existing contract. While such instances have not occurred in the past, however such concentration of our business on a few projects or clients may have an adverse effect on our results of operations and result in a significant reduction in the award of contracts which could also adversely affect our business if we do not achieve our expected margins or suffer losses on one or more of these large contracts, from such clients. We cannot assure you that we can maintain the historical levels of project orders from these clients or that we will be able to find new clients in case we lose any of them. Further, major events affecting our clients, such as adverse market conditions, regulatory changes, adverse cash flows, change in government or applicable governmental policies, could adversely impact our business. If any of our major clients become financially strained, we may face delays in receiving payments from our project clients, which may adversely impact our cash flows and financial condition. For instance, we are experiencing delayed payments from some of our clients, which adversely impacted our cash flows.

In the event we are unable to complete our projects within the duration prescribed under our contracts, or the quality of our work deteriorates, then our relationship may get strained, and we may not get further orders from our current clients which could adversely affect our business. In addition, our clients may also be entitled to terminate the agreement in the event of delay in completion of the work if the delay is not on account of any of the agreed exceptions. In the event any one or more such clients should terminate their contracts for any reason or cease doing business with us in the future or be affected by external or internal risks that impact their ability to make contracted payments to us, our business and prospects may be adversely affected.

3. ***Our Company and our material subsidiary, Techno Industries Private Limited ("TIPL") have experienced fluctuations in revenue from operations, Earnings before interest, tax, depreciation and amortization ("EBITDA"), and Profit After Tax ("PAT") over the past five financial years, impacting working capital requirements. Projected working capital requirements are based on growth assumptions, which may not materialize as expected.***

Our Company have witnessed fluctuations in financial performance, including revenue, EBITDA, and PAT, over the past five financial years. These fluctuations have influenced the working capital requirements of our Company. Any deviation from projected growth assumptions may impact the working capital needs, cash flows, and overall financial position.

The following table presents the profit and loss account details, including absolute figures and the percentage Cumulative Average Growth Rate (CAGR%) for revenue from operations, EBITDA, Annual Increase in EBITDA%, PAT and working capital requirement over the past five financial years of our Company:

Profit and Loss Account (For our Company)

(₹ in lakhs, except EBIDTA %)

Year	Revenue from Operations	EBIDTA	Annual Increase in EBITDA %	Profit After Tax	Working Capital Requirement
2019-20	11,446.48	(309.35)	-	249.05	9,761.59
2020-21	7,005.09	(1,014.84)	(228.06)	50.37	9,959.61
2021-22	5,009.66	458.17	145.15	594.72	13,259.04
2022-23	31,260.97	5,176.62	1029.85	3,682.31	14,218.30
2023-24	62,423.61	9,984.51	92.88	7,983.83	30,870.41
CAGR %	**52.82**	**-**	**-**	**137.95**	**33.35**

Our revenue from operations has increased from ₹ 11,446.48 lakhs in financial year 2019-20 to ₹ 62,423.61 lakhs in financial 2023-24 showing CAGR of 52.82%. Our EBIDTA has increased from ₹ (309.35) lakhs in financial year 2019-20 to ₹ 9,984.51 lakhs in financial 2023-24 showing an annual increase in percentage (%) from (228.06 %) in Financial 2020-21 to 92.88% in financial year 2023-24. Our profit after tax has increased from ₹ 249.05 lakhs in financial year 2019-20 to ₹ 7,983.83 lakhs in financial 2023-24 showing CAGR of 137.95 %.

Our working capital has increased from ₹ 9,761.59 lakhs in financial year 2019-20 to ₹ 30,870.41 lakhs in financial 2023-24 showing CAGR of 33.35 %.

The increase in requirement of working capital from financial year 2019-20 to financial year 2023-24 was on account of the following:

(₹ in lakhs)

Year	Order Book	Debtors	Creditors	Inventory
2019-20	5,467.77	2,467.56	1,589.34	2,152.80
2023-24	90,431.95	15,181.07	2,800.27	10,198.30

Our material subsidiary ("TIPL") has witnessed variations in financial performance, including revenue, EBITDA, and PAT, over the past five financial years. These fluctuations have influenced the working capital requirements of our Company. Any deviation from projected growth assumptions may impact the working capital needs, cash flows, and overall financial position.

The following table presents the profit and loss account details, including absolute figures and the percentage Cumulative Average Growth Rate (CAGR%) for revenue from operations, EBITDA, Annual Increase in EBIDTA%, PAT, and working capital requirement over the past five financial years of our Material Subsidiary:

Profit and Loss Account (For our Material subsidiary)

(₹ in lakhs, except EBIDTA %)

Year	Revenue from Operations	EBIDTA	Annual Increase in EBITDA %	Profit After Tax	Working Capital Requirement
2019-20	7,492.34	177.94	-	7.75	3,184.98
2020-21	6,536.70	292.68	64.48	31.59	3,582.99
2021-22	13,148.75	1,065.23	263.96	629.91	4,935.80
2022-23	14,833.17	1,442.67	35.43	892.63	5,024.65
2023-24	16,731.58	1,478.30	2.47	917.55	5,589.49
CAGR %	**22.24**	**69.78**	-	**229.83**	**15.10**

TIPL's revenue from operations has increased from ₹ 7492.34 lakhs in financial year 2019-20 to ₹ 16,731.58 lakhs in financial 2023-24 showing CAGR of 22.24%. It's EBIDTA has increased from ₹ 177.94 lakhs in financial year 2019-20 to ₹ 1,478.30 lakhs in financial 2023-24 showing CAGR of 69.78 %. The profit after tax has increased from ₹ 7.75 lakhs in financial year 2019-20 to ₹ 917.55 lakhs in financial 2023-24 showing CAGR of 229.83%.

TIPL's working capital requirement has increased from ₹ 3,184.98 lakhs in financial year 2019-20 to ₹ 5,589.49 lakhs in financial 2023-24 showing CAGR of 15.10 %.

The increase in requirement of working capital from financial year 2019-20 to financial year 2023-24 was on account of the following:

(₹ in lakhs)

Year	Debtors	Creditors	Inventory
2019-20	3,841.14	1,599.66	2,127.92
2023-24	7,249.00	3,430.00	4,131.00

The Objects of the Issue include funding working capital requirements of our Company and our Material Subsidiary, which is based on management estimates and growth assumptions.

The projected working capital requirements for our Company and TIPL are as follows:

(₹ in lakhs)

Particulars	Fiscal 2026
Our Company	93,538.49
TIPL	10,986.00

The projected working capital requirements for our Company and Techno are based on assumed growth trends and business expansion assumptions. However, if these assumptions do not materialize as expected due to unforeseen market conditions, changes in business performance, or external economic factors, there may be a mismatch between the actual and projected working capital needs. This could lead to either a shortfall, resulting in liquidity constraints and operational disruptions, or an excess, which may impact the efficient allocation of financial resources. Any such deviation could adversely affect our overall financial stability, cash flow management, and ability to sustain day-to-day operations.

4. ***One of our Promoters, Mukesh R Gupta, who is also the Chairman and Whole Time Director has been named in a chargesheet filed by the Central Bureau of Investigation ("CBI") for taking delivery and introducing tainted shares in the market.***

The Deputy Superintendent of Police, CBI: BS&FC; Mumbai filed a Chargesheet bearing no. RC 5I/2001/CBI/BS&FC/Mumbai ("Chargesheet") against Mukesh R Gupta (A-6) & Others under Section 120B of the Indian Penal Code ("IPC"), read with Sections 409,420, 467, 46 and 471 of the IPC and

Commission of Specific Offences under Section 420 of the IPC. The charges against Mukesh R Gupta are that he took delivery of certain tainted shares on instructions of one of the broker defendants and introduced them in the market through another broker, who sold those shares and used the proceeds to boost the share price of a certain company. The investigation, which is now 14 years since the Chargesheet, has not reached a stage wherein Mukesh R Gupta has been called to file his reply or submit his defense. As on date, the Additional Chief Metropolitan Magistrate, at the Esplanade Court, Mumbai is in the process of recording the statement of witnesses. Mukesh R Gupta has not filed any reply or submitted any statement of defense in relation to the Chargesheet. Mr. Mukesh Gupta has pleaded not guilty before the Court. Till date, no Court or authority has conducted any cross examination of Mukesh R Gupta nor convicted him of any offence. However, we cannot assure you that charges will not be framed against Mukesh R Gupta even though he has pleaded not guilty to the charges. If any charge is framed against Mukesh R Gupta, he will have to submit his defense and attend court proceedings, if called to do so which may require him to spend time and effort for his defense and attending court hearings, consequently, his time available for overlooking the operations of our Company may be reduced which may adversely affect our operations, revenue and profitability.

No development has taken place in relation to Mr. Mukesh Gupta subsequent to him pleading "not guilty" in the Magistrate Court, which was about 14 years ago. Only once recording of the witnesses is complete, the Additional Chief Metropolitan Magistrate, at the Esplanade Court, Mumbai may frame charges. Given the current status, we cannot provide an estimated timeline when the recording will be complete or whether any charges may be framed against Mr. Mukesh Gupta at all.

If the charges against Mr. Mukesh Gupta are established, Mr. Mukesh Gupta will contest the charges since he is not guilty as pleaded by him in his submissions. The allegation is against Mr. Mukesh Gupta in his personal capacity and there is no allegation on the Issuer Company. As such, neither Mr. Mukesh Gupta nor the Issuer Company expect any financial impact on the Issuer Company, should the charges be framed against Mr. Mukesh Gupta, which in itself seem remote. In any which case, there is no impact, financial or otherwise on the proposed Rights Issue.

5. ***Our Company and Material subsidiary, Techno, has negative cash flows from its operating activity, investing activity and financing activity, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.***

Our Company and Material Subsidiary had reported certain negative cash flows in previous years as per the Financial Statements, as stated below:

Cash Flow of our Company

(₹ in Lakhs)

Cash Flow From	Fiscal 2024#	Fiscal 2023#	Fiscal 2022#	Fiscal 2021#	Fiscal 2020#
Profit / (Loss) Before Tax	10,022.19	4,921.45	1,210.75	69.56	327.29
Operating Activities	(4,498.28)	(310.15)	(1,709.13)	1,754.06	(901.42)
Investing Activities	(9,674.95)	(5,365.38)	(1,193.80)	(1,676.24)	1204.73
Financing Activities	14,231.51	4,564.61	3,610.44	(31.15)	(24.32)

#Audited

Cash Flow of Techno

(₹ in Lakhs)

Cash Flow From	Fiscal 2024#	Fiscal 2023#	Fiscal 2022#	Fiscal 2021#	Fiscal 2020#
Profit / (Loss) Before Tax	1,224.00	1141.00	879.00	50.00	12.00
Operating Activities	783.00	1101.00	(350.00)	396.00	480.00
Investing Activities	(348.00)	(130.00)	(56.00)	(18.00)	(387.00)
Financing Activities	(317.00)	(968.00)	505.00	59.00	(153.00)

#Audited

Reasons for negative cash flow for our Company:

Fiscal 2024

The Cash Flow from Operating Activities was negative mainly on account of Increase in Trade Receivables, Increase in Other Bank Balances (Margin Money Deposit) and Decrease in Other Current Liabilities.

Fiscal 2023

The Cash Flow from Operating Activities was negative mainly on account of Increase in Inventories, Increase in Trade Receivables and Increase in Other Current Assets.

Fiscal 2022

The Cash Flow from Operating Activities was negative on account of Increase in Inventories.

Fiscal 2020

The Cash Flow from Operating Activities was negative on account of Decrease in Trade Payables and Decrease in Other Current Liabilities.

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. Since our Company is in a growth phase, our working capital requirement has increased in tandem and this has resulted in negative cash flow from operations in Fiscal Years 2024, 2023, 2022 and 2020. We may continue to have negative operating cash flows in future. If our Company is not able to generate sufficient operating cash flows, it may adversely affect our business and financial operations. For further details, please see "***Financial Information"*** on page no 216.

6. ***Our Company and our material subsidiary intends to allocate a substantial portion of the net proceeds from the Rights Issue towards meeting their working capital requirements, which is subject to operational risks and monitoring challenges.***

Our Company and our material subsidiary intends to allocate in aggregate ₹ 36,993.00 Lakhs towards the working capital requirements, which is a substantial portion of the net proceeds from the Rights Issue.

Working capital, which comprises funds allocated for daily business operations such as inventory, trade receivables, other current assets, trade payables and other short-term financial obligations, continuously circulates through the business cycle. The deployment of working capital is inherently subject to various factors, including fluctuations in operational costs, changes in market conditions, and business growth. Unlike fixed assets, which remain relatively stable over time, working capital is subject to frequent changes based on operational demands, market conditions, and cash flow movements. Given the nature of working capital utilization, continuous monitoring, tracking and managing its usage can be difficult. Any inefficiencies or mismanagement in the deployment of these funds may impact our liquidity position, cash flows, and overall financial health.

Further, since working capital requirements may vary based on business cycles and external factors, there can be no assurance that the allocated funds will be sufficient to meet our future working capital needs. Any shortfall in working capital may require us to arrange for additional financing, which could impact our financial position and profitability.

The fund requirements, proposed deployment of funds and the intended use of the Net Proceeds is based on our current business plan, internal management estimates, current circumstances of our business, prevailing market conditions and other commercial considerations. We may have to revise our funding requirement on account of factors, such as financial and market conditions, competition, price fluctuations, and other external factors, which may not be within the control of our management. This

may also entail rescheduling of the proposed deployment of the Net Proceeds at the discretion of our management, subject to compliance with applicable laws.

7. ***There has been significant change in our Revenue from Operations and Profit after Tax in the past two financial years which may not be sustainable in the future.***

(₹ in Lakhs except, unless stated otherwise)

	FY 23	FY 24	% Increase
Revenue from Operations	31,260.98	62,423.61	99.69
Profit after Tax**	3,682.31	7,983.83	116.82

***Profit after Tax Before Comprehensive Income*

Change in Revenue from Operations

Revenue from Operations for the Financial Year 2023 increased from ₹ 31,260.98 Lakhs to ₹ 62423.61 Lakhs during Financial Year 2024.This increase was primarily due to increase in Order Book and successful execution of major projects during Financial Year 2024, wherein, (a) the sales to top three (3) customers of Financial Year 2024, as compared to sales during Financial Year 2023, increased significantly from (i) ₹ 24,426.15 Lakhs to ₹ 44,079.10 Lakhs, (ii) ₹ 1,077.40 Lakhs to ₹ 3,416.67 Lakhs, and (iii) Nil to ₹ 3,000.23 Lakhs

Please refer to "***Management's Discussion and Analysis of Financial Position and Results of Operations - Comparison of Financial Year ended March 31, 2024 with financial year ended March 31, 2023*** " on page 312 of this Letter of Offer.

Change in Profit after Tax

Our Profit After Tax increased from ₹ 3,682.31 Lakhs for Financial Year 2023 to ₹ 7,983.83 Lakhs for Financial Year 2024 because our Revenue from Operations increased by ₹ 31,162.63 Lakhs, Other Income increased by ₹ 164.37 Lakhs, Cost of Materials Consumed increased by ₹ 11,741.43 Lakhs, Purchase of Traded Goods increase by ₹ 2,272.55 Lakhs, Changes in Inventory decreased by ₹ 7,436.20 Lakhs, Employee Benefit Expenses increased by ₹ 1,098.29 Lakhs, Manufacturing and Other expenses increased by ₹ 3,739.21 Lakhs, Finance Cost increased by ₹ 22.78 Lakhs, Depreciation and amortization expenses increased by ₹ 166.30 Lakhs, Tax Expenses increased by ₹ 798.72 Lakhs.

Please refer to "***Management's Discussion and Analysis of Financial Position and Results of Operations – Comparison of Financial Year ended March 31, 2024, with financial year ended March 31, 2023***" on page 312 of this Letter of Offer.

Although historically, our operational activities have grown significantly as disclosed above, consequently resulting in increase in Revenue from Operations, Profit after Tax, we cannot assure you that we would be able to maintain the same growth trajectory in the future.

For further details on risk associated with competitive markets please refer to "***Risk Factor – We operate in highly competitive markets and our business, results of operation, financial condition and future prospects will depend on how effectively we compete***. " on page 47 of this Letter of Offer.

8. ***We have entered, and will continue to enter, into related party transactions which may involve conflicts of interest. These or any future related party transactions may potentially involve conflict of interest and there can be no assurance that we could not have achieved better terms, had such arrangements been entered into with unrelated parties. Further, our Promoters, Promoter Group, Directors and Key Managerial Personnel / close family members of Key Managerial Personnel have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits.***

Our Company has entered certain transactions with our related parties including our Promoters, our Promoter Group, our Directors, Key Managerial Personnel and close family members of Key Managerial Personnel, entities over which they and their relatives are able to exercise significant influence. Further,

our Promoters, our Promoter Group, Directors and Key Managerial Personnel have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits. Our Promoters, Promoter Group and Directors are interested in our Company to the extent (i) in their capacity as Promoters and/or Directors, as applicable; (ii) of their shareholding in our Company; (iii) the dividend payable, if any, and any other distributions in respect of the Equity Shares held by them in our Company, from time to time; (iv) normal remuneration or benefits and reimbursement of expenses; (v) payment of technical consultancy charges/advisory fees to one of our Non-Executive Director; and (vi) transactions undertaken by our Company with entities wherein, our Promoters, our Promoter Group holds shares, directly or indirectly exercise control/significant influence, and are classified are Related Parties as per the criteria laid down in IND-AS 24.

Details of transactions with and balance outstanding of Key Managerial personnel (KMP) / Close Family Member of Key Managerial Personnel:

Name of the related party	Nature of transaction	Nine Months ended December 31, 2024		Financial Year 2023 - 24		Financial Year 2022 – 23	
		Transaction Value*	Outstanding / (advances) Amount	Transaction Value*	Outstanding / (advances) Amount	Transaction Value*	Outstanding / (advances) Amount
Shri. Mukesh Gupta	Director Remuneration	90.00	6.96	100.00	5.27	100.00	3.30
Shri. Shree Krishna Gupta	Director Remuneration	165.15	9.31	12.82	10.75	-	-
	Remuneration	-	-	170.68	-	183.50	13.25
Shri. Kalpesh Prakash Agrawal	Remuneration	26.98	1.76	32.97	1.14	25.86	1.15
	Expenses Reimbursement	2.04	(2.49)	2.77	-	0.89	-
	Perquisite	111.15	-				
Ms. Meenakshi Ankit Pansari (resigned as Company Secretary on 10th August, 2023)	Remuneration	-	-	5.41	-	7.53	0.51
	Expenses Reimbursement	-	-	1.44	-	0.04	-
Ms Rahima Shaikh (appointed as Assistant Company Secretary till 10.08.2023. Company Secretary w.e.f. from 11.08.2023)	Remuneration	7.42	0.69	5.01	0.61	-	-
	Expenses Reimbursement	0.35	-	0.24	-	-	-
Shri. Rajashekhar M. Alegavi	Consultancy	62.89	13.45	42.80	1.51	16.80	1.26
	Sitting Fees	0.65	-	1.19	-	0.36	-
	Expenses Reimbursement	1.43	-	1.85	0.23	1.78	-
Shri. Ashok S. Tandon	Consultancy	-	-	-	-	17.50	-
	Sitting Fees	0.75	-	1.38	-	0.28	-
	Expenses Reimbursement			-	-	0.43	-
Shri Satyendra N. Singh	Sitting Fees	-	-	-	-	0.60	-
Smt. Bela Sunder Rajan	Sitting Fees	0.50	-	1.10	-	0.40	-
Shri. Ashok Kumar Sharma	Sitting Fees	0.30	0.05	1.11	-	0.44	-
Shri. Kishorkumar M. Pradhan	Sitting Fees	0.95	-	1.53	-	0.44	-
Shri. Lakshman	Sitting Fees	0.95	-	1.62	-	0.60	-

Name of the related party	Nature of transaction	Nine Months ended December 31, 2024		Financial Year 2023 - 24		Financial Year 2022 – 23	
		Transaction Value*	Outstanding / (advances) Amount	Transaction Value*	Outstanding / (advances) Amount	Transaction Value*	Outstanding / (advances) Amount
Ananthsubramanian							
Shri Devidas Kambale	Sitting Fees	0.60	-	0.10	-	-	-
Others	Dividend	0.35	-	0.17	-	0.08	-

Dividend paid to Entities controlled / significantly influenced by Directors / Close Family Members has been shown under others, which are less than 10 % of overall dividend paid to related parties.

Details of transactions with and balances outstanding of Entities Controlled / Significantly influenced by Directors / Close Family Members of Directors

(₹ In Lakhs)

Name of the related party	Relationship with the Issuer Company	Nature of transaction*	Nine Months ended December 31, 2024..		Financial Year 2023 - 24		Financial Year 2022 – 23	
			Transaction Value*	Outstanding / (advances) Amount	Transaction Value*	Outstanding / (advances) Amount	Transaction Value*	Outstanding / (Advances) Amount
M/s. Lloyds Metals & Energy Limited	Group Company	Sale of Goods	37,892.47	(6,432.24)	44,079.10	7,266.44	24,426.15	(7,522.97)
		Sale of Fixed Assets	15.30	-	665.09	-	-	-
Lloyds Enterprises Limited (Formerly known as Shree Global Tradefin Limited)	Promoter	Dividend	960.83	-	479.84	-	239.92	-
		Capital Expenditure	33.45	-	-	(35.00)		
M/s. Hemdil Estates Private Limited	Group Company	Rent	16.50	-	12.00	-	12.00	(0.93)
M/s. Aeon Trading LLP	Promoter Group	Dividend	174.71	-	82.50	-	22.50	-

Name of the related party	Relationship with the Issuer Company	Nature of transaction*	Nine Months ended December 31, 2024..		Financial Year 2023 - 24		Financial Year 2022 – 23	
			Transaction Value*	Outstanding / (advances) Amount	Transaction Value*	Outstanding / (advances) Amount	Transaction Value*	Outstanding / (Advances) Amount
M/s. Lloyds Metals and Minerals Trading LLP	Promoter Group	Dividend	174.71	-	82.50	-	22.50	-
M/s. Lloyds Luxuries Limited	Group Company	Other Services Paid	-	-	-	-	0.07	-
M/s. Trofi Chain Factory P. Ltd	Group Company	Other Services Paid	23.79	0.01	14.98	-	0.15	0.15
ICASA Trading Company Private Limited	Group Company	Other Services Paid	72.50	-	235.00	-	-	-
Lloyds Infrastructure & Construction Limited	Associate Company	Investment in Equity Shares	-	-	490.00	-	-	-
		Advances Given	-	-	46.69	-	-	-
		Sale of Goods	222.59	(90.77)				
Lloyds Infinite Foundation	Group Company	Sale of Goods	1,250.33	(1,809.33)	3,000.23	3,540.27	-	-

Transaction Value does not include Goods & Service Tax (GST).

Lloyds Metals & Energy Limited, an entity listed on the Stock Exchanges, is primarily engaged in the value chain of steel manufacturing, from iron ore mining to Direct Reduced Iron manufacturing. They are expanding their current Direct Reduced Iron manufacturing capacity and are also undertaking forward integration by setting up pellet plants, steel melting shops and captive power plants. Towards this capacity expansion and forward integration, our Company has received orders from Lloyds Metals & Energy Limited which has resulted in the increase in value of transactions as stated in the table above.

There is no potential conflict of interest between the Issuer and its related parties, including its corporate promoters as all such transactions have been conducted on an arm's length basis, and are in compliance with applicable laws, including the Companies Act. We cannot assure that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties. Furthermore, it is likely that we will enter into related party transactions in the future.

Although all material related party transactions that we may enter into, will be subject to Audit Committee and Board or shareholder approval, as necessary under the Companies Act 2013 and the SEBI Listing Regulations, there can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operation. For further details, please refer to "Financial Information" on page no 216 in this Letter of Offer.

9. ***Our Order Book may not be representative of our future results and our actual income may be significantly less than the estimates reflected in our Order Book, which could adversely affect our business, financial condition, results of operations and prospects.***

As on December 31, 2024, and March 31, 2024, our Order Book position was ₹ 1,27,813.00 Lakhs and 90,431.95 Lakhs, respectively. Project delays, modifications in the scope or cancellations may occur, due to delay in payments by our clients or our own defaults, incidents of force majeure, adverse cash flows, regulatory delays and other factors beyond our control. In view of the same, projects can remain in Order Book for extended periods of time because of the nature of the project and the timing of the particular services required by the project. Delays in the completion of a project can lead to our project clients delaying in making our payments. Our inability to complete or monetize such work in a timely manner, or at all, may adversely affect our business and results of operations.

Although during the last two financial years, there were no instances of termination of contract, we cannot assure you that our project clients, will not either terminate our contracts or default and fail to pay amounts owed, which may adversely affect our Order Book and in turn can impact our business and financial condition. Hence, our Order Book may not be indicative of our future results due to various factors including delays, reduction in scope, cancellation, execution difficulty, payment postponement or payment default in regard to our Order Book projects or any other incomplete projects, or disputes with clients in respect of any of the foregoing, which could adversely affect our cash flow position, revenues and earnings. For further details please see – "***Our Business- Order Book***" on page 184 of this Letter of Offer.

10. ***We are dependent on limited number of manufacturers and their suppliers for certain specific type of raw materials required in our operations. Further, our top 10 (ten) suppliers constituted 50.38%, 51.40 % and 51.08 %, respectively to our Purchase Cost (comprising of raw material cost, direct labour cost and manufacturing overheads) for nine months period ended December 31, 2024, and during Fiscal 2024, and Fiscal 2023 respectively. Our business is dependent on our continuing relationships with our suppliers and any deterioration in our relations with any of them could materially and adversely affect our business, results of operations, cash flows and financial condition.***

We depend on a limited number of suppliers for certain specific raw materials which, *inter-alia*, include boiler quality plates (BQ Plates), high thickness carbon steel plates, National Association of Corrosion Engineers (NACE) graded, and Hydrogen Induced Cracking (HIC) tested carbon steel plates. These raw materials are produced by a couple of manufacturers in India from whom our suppliers source these raw materials. Due to price variations, we generally do not prefer to import these materials. As regards spare parts for steering gear in the naval industry, spare parts for marine loading arms, we generally import these raw materials. A drop in the manufacturers ability to manufacture such raw materials will affect the stock available with our suppliers thus hampering our ability to source such specific type of material

These certain specific raw materials constituted 3.19 %, 4,77 %, and 8.33 % respectively for nine months period ended December 31, 2024, and during Fiscal 2024 and Fiscal 2023, respectively, to our Purchase Cost (comprising of raw material cost, direct labour cost and manufacturing overheads).

Further, raw materials purchased from our top 10 (ten) suppliers constituted 50.38 %, 51.40 % and 51.08 %, respectively for nine months period ended December 31, 2024 and during Fiscal 2024 and Fiscal 2023, respectively, to our Purchase Cost (comprising of raw material cost, direct labour cost and manufacturing overheads).

Except, for non-recurring transaction entered with Lloyds Enterprises Limited in Fiscal 2024, none of the manufacturers or suppliers are related parties with our Company. For further details on Related Party Transactions, please refer to "Financial Information" on page no 216 in this Letter of Offer.

Due to our inconsistent requirements of certain specific raw materials, we source these products from suppliers and not from the manufacturers directly. Further, for all our raw material requirements, we do not have any long-term contracts with these suppliers and conduct our business with these suppliers on the basis of our general experience of their (i) competitive pricing, (ii) favourable delivery terms, and (iii) long standing business relations. There is no assurance that, in future we will be able to broaden our supplier base or be able to conduct business with our suppliers on favourable terms to procure raw materials, thus, affecting our business, results of operations, cash flows and financial condition.

Further, events of force majeure, such as disruptions in transportation services because of weather-related problems, strikes, lockouts, inadequacies in road infrastructure and port facilities, government actions or other events that are beyond the control of the parties and allow our customers to suspend or cancel deliveries of products which could impact our cash flows and could adversely affect our financial condition and results of operations. There can be no assurance that such disruptions will not occur in future

11. ***Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our results of operations, cash flows and financial condition.***

Our Company's operations are subject to various risks and hazards inherent in the manufacturing business, including breakdowns, failure or substandard performance of equipment, third party liability claims, labor disturbances, employee fraud and infrastructure failure, as well as fire, theft, robbery, earthquake, flood, acts of terrorism and other force majeure events. We have obtained insurance policies in relation to plant and machinery, burglary, stocks, and finished goods. In addition, we have also obtained directors' and officers' liability insurance.

The following table sets forth details of our insurance coverage as on December 31, 2024, March 31, 2024 and March 31, 2023:

(₹ in Lakhs, unless specified otherwise)

Particulars	Nine months period ended December 31, 2024		FY 24		FY 23	
	Insured Tangible Assets**	Uninsured Tangible Assets***	Insured Tangible Assets**	Uninsured Tangible Assets***	Insured Tangible Assets**	Uninsured Tangible Assets***
Amount of Tangible Assets*	15,014.52	1,831.07	19,292.83	1,475.80	16,925.96	2,966.45
Amount of Insurance obtained	17,680.13	-	17,680.13	-	8,848.40	-
% of Total Tangible Assets	89.13%	-	92.89%	-	85.09%	14.91%
Insurance Coverage	117.75%	-	91.64%	-	52.28%	-

**As per Audited Financial Statements*

***Gross value of assets, not written down value*
****Comprises of Land and Capital Work in Progress*

Our operations may be subject to risks such as fire, accidents and natural disasters Although, we maintain customary insurance policies for our Company, our insurance coverage has not increased in proportion to increase in our Tangible Assets, and we cannot assure you that we would be able to maintain adequate insurance coverage amounts for our business and operations. Our insurance policies are subject to exclusions and deductibles and may not provide adequate coverage or cover all risks. If any or all of our tangible assets are damaged in whole or in part, our operations may get interrupted, totally or partially, for a temporary period, our results of operations, cash flows and financial condition may be adversely affected. For details, see "***Our Business –Insurance***" on page 205 of this Letter of Offer.

Our policies are subject to standard limitations that apply to the length of the interruption covered and the maximum amount that can be claimed. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, insurance policies. We cannot assure you that the operation of our business will not be affected by any of the risks and hazards listed above. In addition, our insurance may not provide adequate coverage in certain circumstances including losses arising due to third-party claims that are either not covered by insurance or the values of which exceed insurance limits, economic or consequential damages that are outside the scope of insurance coverage and claims that are excluded from coverage. If our arrangements for insurance are not adequate to cover claims, we may be required to make substantial payments and our results of operations, financial condition and cash flows may therefore be adversely affected.

We may not have identified every risk, and further may not be insured against every risk, including operational risks that may occur, and the occurrence of an event that causes losses more than the limits specified in our policies, or losses arising from events or risks not covered by insurance policies or due to the same being inadequate. Any of the above could materially harm our financial condition and future results of operations and cashflows. There can be no assurance that any claims filed will be honored fully or in a timely fashion under our insurance policies.

Our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, on commercially acceptable terms or at all. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by insurance or exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, cash flows and financial condition may be adversely affected.

12. ***Total Capital Expenditure to be incurred for our Material Subsidiary for Purchase of machineries is ₹ 3,296.93 Lakhs and we have paid ₹ 159.98Lakhs as advance as on the date of this Letter of Offer. We have not yet placed orders/made payment in relation to ₹ 3,136.95 Lakhs to be incurred for the proposed purchase of machineries. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the machineries in a timely manner, or at all, the same may result in time and cost over-runs.***

We intend to utilize part of the Net Proceeds for funding capital expenditure requirements for purchase of machineries. The utilisation of the Gross Proceeds will be monitored by the Monitoring Agency. While we have obtained quotations from various vendors in relation to the capital expenditure to be incurred for the purchase of machineries, we have not placed firm orders for majority of them. Out of total capital expenditure ₹ 3,296.93 Lakhs, we have incurred ₹ 159.98 Lakhs as on the date of this Letter of Offer and we are yet to make order / payment for the balance capital expenditure ₹ 3,136.95 Lakhs to be incurred for the proposed purchase of machineries. Our Material Subsidiary has incurred ₹ 159.98 Lakhs from its internal accruals. Amount spent from internal accruals shall be repaid out of the Net Proceeds. We will also continue placing the orders as and when deemed appropriate by the management. Such quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. We cannot assure that we will be able to undertake such capital expenditure at the costs indicated by such quotations or that there will not be cost escalations over and above the contingencies proposed to be funded out of the Net Proceeds. Further, the actual amount and timing of our future capital

requirements may differ from our estimates as a result of, among other things, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, engineering design changes and technological changes, inadequate performance of the machineries installed, delays in completion, defects in design or construction, taxes and duties, interest and finance charges, working capital margin and other external factors which may not be within the control of our management.

In the event of any delay in placing the orders, or an escalation in the cost of acquisition of the machineries, or in the event the vendors are not able to provide the machineries and services in a timely manner, or at all, we may encounter time and cost overruns. Further, if we are unable to procure machineries or avail services from the vendors from whom we have obtained quotations, we cannot assure you that we may be able to identify alternative vendors to provide us with the similar kind of machineries and services, which satisfy our requirements at acceptable prices.

Our inability to procure the machineries and services at acceptable prices or in a timely manner, may result in an increase in capital expenditure, extension or variation in the proposed schedule of implementation and deployment of the Net Proceeds, thereby resulting in an adverse effect on our business, prospects and results of operations. We intend to invest in latest equipment and technology to support our expanding operations. We seek to purchase domestic and imported machineries from manufacturers / traders. Accordingly, we propose to utilize ₹ 3,296.93 Lakhs out of the Net Proceeds towards such purchasing machineries.

For further details, please see "***Objects of the Issue – Domestic Machineries for which orders are yet to be place***" on page 91.

13. ***We have significant working capital requirements, and the objects of the Issue include funding working capital requirements of our Company and our Subsidiary, which is based on certain assumptions and estimates. Any failure in arranging adequate working capital for our operations may adversely affect our business, results of operations, cash flows and financial conditions.***

The Objects of the Issue include funding working capital requirements of our Company and our Material Subsidiary, which is based on management estimates and certain assumptions pursuant to the resolution of our Board and for Techno both dated March 20, 2025 as set out below:

(₹ in Lakhs)

Sr. No	Particulars	Fiscal 2023 (Audited)	Fiscal 2024 (Audited)	Fiscal 2025 (Estimated)	Fiscal 2026 (Estimated)
LEWL					
I	Total working capital requirement	14,218.25	30,870.41	38,663.29	93,538.49
II	Means of Finance (Existing Funding Pattern)				
II (A)	Internal accruals/Total Equity	14,218.25	30,870.41*	38,663.29	59,885.49
	Working Capital Gap	0.00	0.00	00	33,653.00
II (B)	Amount Proposed to be utilised from Net Proceeds	0.00	0.00	00	33,653.00
TECHNO					
I	Total working capital requirement	5,027.00	5,590.00	6,363.00	10,986.00
II	Means of Finance (Existing Funding Pattern)				
II (A)	Internal Accruals/Total Equity	5,027.00	5,590.00	6.363.00	7,646.00
	Working Capital	0.00	0.00	0.00	3,340.00

Sr. No	Particulars	Fiscal 2023 (Audited)	Fiscal 2024 (Audited)	Fiscal 2025 (Estimated)	Fiscal 2026 (Estimated)
	Gap				
II (B)	Amount Proposed to be utilised from Net Proceeds	0.00	0.00	-	3,340.00

**Includes an amount of ₹ 7,361.83 Lakhs raised through right issue in fiscal 2024.*

For more information in relation to such management estimates and assumptions, see "***Objects of the Issue***" on page 76.

Our business requires significant working capital, including in connection with our manufacturing operations. The actual amount of our future working capital requirements may differ from estimates as a result of, among other factors, unanticipated expenses, fluctuations in raw material prices, economic conditions, growth in revenue, changes in the terms of our financing arrangements, changes in the credit terms of customers and suppliers, inventory fluctuations, additional market developments. Our sources of additional financing, required to meet our working capital needs, may include the incurrence of debt in the form of additional working capital limits, the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, which may have a significant effect on our profitability and cash flows. We may also become subject to additional covenants, which could limit our ability to access cash flows from operations and undertake certain types of transactions.

Our working capital requirements may increase if the payment terms include reduced advance payments or longer payment schedules. These factors may result, or have resulted, in increases in the amount of our receivables and short-term borrowings. Continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations.

While we believe that our internal accruals will be sufficient to address our working capital requirements, we cannot assure you that we will continue to generate sufficient internal accruals and / or be able to raise adequate working capital from lenders to address our future needs. Our inability to meet our present working capital requirements or our enhanced working capital requirements will have an adverse impact on our results of operation, business and financial condition.

14. ***We rely on dispatches from our 3 workshops located at Murbad, Thane and outsourcing our activities to third-party service providers in order to fulfil our contractual commitments to our customers. Any default in carrying out contractual obligations at our workshops or by third-party service providers, may adversely affect our continuing relationship with our customers, consequently, impact our business, financial conditions, cash flows, and results of operations.***

Our Company operates from three workshops located at Murbad, Thane. As detailed in the table hereunder, dispatches from our workshops increased from ₹ 7,326.54 Lakhs in the Financial Year 2023 to ₹ 14,948.71 Lakhs in Financial Year 2024, whereas our Revenue from Operations increased from ₹ 31,260.98 Lakhs to ₹ 62,431.39 Lakhs during the same period.

The proportion of output of our workshops to the Revenue from Operations increased from 23.44 % from Financial Year 2023 to 23.94 % in Financial Year 2024. Further, for nine months period ended December 31, 2024, dispatches from our workshops were ₹ 10,475.11 Lakhs, whereas our Revenue from Operations were ₹ 57,728.59 Lakhs during the same period. The proportion of output of our workshops to the Revenue from Operations was 18.15 % for nine months period ended December 31, 2024. We are in the process of adding another workshop (on Plot No. A 8/4, Murbad, Thane) in close proximity to our existing workshops to decrease our reliance on third-party service providers. However, we cannot assure you, that we would be able to expand our infrastructure to reduce reliance on third-party service providers

Details of dispatches of our Company

(₹ in Lakhs)

Location	Nine months period ended December 31 2024	FY 2024	FY 2023
Workshop Location			
A-6/3	602.44	1,390.74	1,079.72
A-5/5	7,042.89	7,531.01	4,662.00
K-3	2,829.77	6,026.96	1,584.82
Total (A)	10,475.11	14,948.71	7,326.54
On Site/Third- Party Service Providers (B)	47,253.48	47,474.88	23,934.44
Revenue from Operations (A) + (B)	**57,728.59**	**62,423.60**	**31,260.98**

The services of third-party service providers inter-alia include providing conversion facilities, fabrication, plate bending, plate cutting, assembling etc. These third-party service providers are generally located in proximity to our workshops as well as on-site projects. Non-performance of contractual obligations by such third-party service providers, may affect our continuing relationship with our customers and suppliers who can suspend or cancel delivery of products and consequently impact our business, financial conditions, cash flows, and results of operations.

While we have not faced challenges in the past due to our dependence on third-party service providers for carrying out the outsourced contractual obligations, we cannot assure you that we shall not face the same in future. Additionally, in case of a break-down of our relationship with the third-party service providers, we are unable to assure you that we shall be able to source such services from alternate sources in a timely manner, which could adversely affect our business, financial condition and results of operations

15. ***Certain of our workshops located in Murbad, Thane i.e Plot No. A 6/3 and Plot No. K/3 currently lack certifications or approvals.***

We rely on dispatches from our three workshops located in Murbad, Thane, as well as on third-party service providers, to meet our contractual obligations to customers. However, some of these workshops lack approvals and are not certified or approved as under:

Approvals yet to be obtained for Plot No. A 6/3 MIDC Industrial Area, P.O. Murbad, Thane 421401, Maharashtra

- Indian Boiler Regulation (IBR)

Approvals yet to be obtained for Plot No. A K/3 MIDC Industrial Area, P.O. Murbad, Thane 421401, Maharashtra

- ISO 45001:2018
- American Society of Mechanical Engineering (ASME)
- Petroleum and Explosives Safety Organization (PESO)

Approval under the Indian Boiler Regulation (IBR) is necessary for boiler manufacturers and heat exchangers. The Petroleum & Explosives Safety Organization (PESO) approval relates to fabrication workshops for non-cryogenic pressure vessels used in gas storage.

ISO 45001:2018 certification serves as Environmental, health and safety standard. The ISO 45001:2018 is an international standard that specifies requirements for environmental, occupational health and safety (OH&S) management system. It provides a framework for organizations to manage risks and improve OH&S performance. The standard helps organizations improve the health and safety of their employees and other personnel. It also helps organizations reduce work-related injuries, illnesses, and incidents.

It is not required by law to implement ISO 45001 and is a voluntary action by an organisation. We have obtained ISO 45001:2018 for Plot No A-6/3, A-5/5 and A-5/4 situated at Murbad, Thane, Maharashtra. We do propose to apply for and obtain ISO 45001:2018 for Plot No K/3 situated at Murbad, Thane, Maharashtra, since it affords many benefits not only to our Company but also to our employees.

Since it is not mandatory to have the ISO 45001:2018 certification, our Company will apply for the ISO 45001:2018 certification in fiscal 2026.

Certification from the American Society of Mechanical Engineers (ASME) is specifically for pressure vessels and heat exchangers, acting as a quality assurance system with defined procedures and standards.

For Plot No. A 6/3, no boiler-related activities are conducted presently. Similarly, as of now, ASME and PESO approvals are not applicable for Plot K/3, as no relevant work is performed from this location.

In summary, these licenses, approvals, and certifications are not currently required. However, the company assures that all necessary approvals will be obtained in the future, if as and when the business requires them.

This lack of approvals, certifications, and industry recognition may adversely impact our ability to secure contracts, leading to potential business losses, and may negatively affect our financial condition and operational results.

16. ***Certain properties of Techno and our Company are not owned by us but taken on leave and license basis. Further, some of our properties are not located on land owned by us and we have only leasehold rights. Our inability to renew the lease agreements and/or leave and license agreements or any adverse impact on the title or ownership rights of our landlords / owners in relation to these premises may impede our operations.***

Except for the properties mentioned in "***Our Business- Freehold property***" on page 200 rest of our properties are on premises that have been taken on leave and license/ lease from third parties. Upon expiration of the leave and license/ lease agreements for each of our premises, we will be required to negotiate the terms and conditions. Our leave and license/ lease agreements are renewable on mutually acceptable terms and upon payment of such rent escalations as stated in the agreements. Any delay or non-payment of rent may result in vacation of the property.

We cannot assure that we will be able to renew our lease/ leave and license agreements on commercially acceptable terms or at all. If we do not comply with the terms of the leave and license/ lease agreements, it may lead to termination which would have an adverse effect on our business, and results of operations. Further, any adverse impact on the title or ownership rights of the landlords, may force us to vacate such premises and we would be required to make alternative arrangements. In the event that we are required to vacate our current premises, we could be required to make alternate arrangements for our infrastructure and there can be no assurance that the new arrangements will be on commercially acceptable terms.

Further, relocation of any part of our operations may cause disruptions to our business and may require significant expenditure. If we are required to relocate our business operations, we may suffer a disruption in our operations or have to pay increased charges, which could have an adverse effect on our business, results of operations, financial condition and cash flows.

For further details related to our Immovable properties, please see "***Our Business***" on page no 174.

17. ***Our Company, Promoters, Directors and our Material Subsidiary are party to certain litigations and claims. These legal proceedings are pending at different levels of adjudication before various courts and regulatory authorities. Any adverse decision may make us liable to liabilities/penalties and may adversely affect our reputation, business and financial status.***

Our Company, Promoters, Directors and our Material Subsidiary are currently involved in legal proceedings in India which are pending at different levels of adjudication before the concerned authority. We cannot assure you that these proceedings will be decided in favour of our Company or Promoters,

Directors and our Material Subsidiary. Any adverse decision in such proceedings may render us liable to penalties and may have a material adverse effect on the financials and reputation of our Company Promoters, Directors and our Material Subsidiary which may in turn have an adverse effect on our business. Additionally, during the course of our business we are subject to risk of litigation in relation to contractual obligations, employment and labour law related, personal injury, damage to property, etc.

(₹ in Lakhs) ^

Nature of Cases	No. of outstanding cases	Amount Involved
Litigation involving our Company		
Criminal proceedings	1	15.00
Material civil litigation against our Company	4	*Amount not quantifiable*
Material civil litigation by our Company	5	571.33
Actions by statutory or regulatory Authorities	3	1,061.40*
Direct and indirect tax proceedings	10	1,751.41
Litigation involving our Promoters (including Promoter Group)		
Criminal proceedings	3	7,273.36
Material civil litigation against our Promoters	NIL	NIL
Material civil litigation by our Promoters	NIL	NIL
Actions by statutory or regulatory Authorities	NIL	NIL
Direct and indirect tax proceedings	8	3,911.24
Litigation involving our Directors		
Criminal proceedings	Nil	Nil
Material civil litigation against our Directors	Nil	Nil
Material civil litigation by our Directors	Nil	Nil
Actions by statutory or regulatory Authorities	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil
Litigation involving our Subsidiary		
Criminal proceedings against our Subsidiary	Nil	Nil
Criminal proceedings by our Subsidiary	7	77.22
Material civil litigation against our Subsidiary	Nil	Nil
Material civil litigation by our Subsidiary	2	86.19
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	3	314.09

^To the extent quantifiable
**Includes outstanding direct and indirect tax for prior years but excluding accrued interest thereon*

For further details, see "***Legal and Other Information – Outstanding Litigation and Material Developments***" on page 342 of the Letter of Offer.

18. ***Our Company and Techno have certain contingent liabilities and commitments, which, if they materialize, may adversely affect our results of operations, financial condition and cash flows.***

For Lloyds

The table below set forth our Contingent Liabilities as on December 31, 2024 and for Fiscal 2024, and Fiscal 2023:

(₹ in Lakhs)

Particulars	Nine months period ended on December 31, 2024#	Fiscal 2024#	Fiscal 2023#
Contingent Liabilities			
A) Claims against the Company, not acknowledged as Debts*	3,405.95	3,272.02	3,093.77
B) Guarantees**			

	Particulars	Nine months period ended on December 31, 2024[#]	Fiscal 2024[#]	Fiscal 2023[#]
	Guarantees issued by the Company's Bankers on behalf of the Company	3,080.67	3,242.34	1,550.33
C)	Income Tax Liability for the Assessment Year 2015-16, 2016-17, 2018-19 & 2019-20 under section 153C, not acknowledged as debts	1,061.40^	1,146.28	1,146.28
Commitments				
D)	Estimated amount of contracts remaining to be executed on capital account and not provided for	160.66	1200.21	861.66

[#]As certified by the Statutory Auditor of our Company vide certificate dated March 25, 2025
^Includes outstanding direct and indirect tax for prior years but excluding accrued interest thereon
** The amount assessed as claims against the Company, not acknowledged as Debts under contingent liability also includes interest component calculated as at reporting period that could be claimed by counter parties which relates to arbitration proceedings initiated by (i) Indian Oil Corporation Limited, (ii) Transparent Energy Systems Private Limited, and (iii) Omkar Heavy Engineering Limited. For further details of proceedings in relation to our contingent liabilities pertaining to arbitration proceedings, please refer to the section titled "**Civil Proceedings – Litigation against our Company – Litigation involving our Company – Outstanding Litigation and Material Developments**" on page 342 of this Letter of Offer.*
***The amount assessed as Guarantees under contingent liability, pertain to (i) Earnest Money Deposit in the form of Bank Guarantees, (ii) Advance Bank Guarantees, (iii) Security deposit / Contract Performance Bank Guarantee, for performance of equipment which gets converted into Performance Bank Guarantee on completion of contract, and (iv) Performance Bank Guarantees. These bank guarantees issued on behalf of our Company have been secured by way of margin money in the form of Fixed Deposit of ₹ 3,911.91 Lakhs.*
Note-1 –An arbitration award dated November 9, 2023, in the matter of Transparent Energy Systems Private Ltd. has been passed by the learned sole arbitrator granting upholding the claims of Rs. 23.97 Lakhs together with the interest @12% p.a. from August 12, 2008, till the date of realization and cost of arbitration proceedings of Rs 34.07 Lakhs which may have impact on the contingent liabilities of our Company

If a significant portion of our contingent liabilities except for the guarantees issued by the Company's Bankers on behalf of our Company materialises, it could affect our business, financial condition, results of operations and cash flows.

For Techno

The table below set forth our Contingent Liabilities as on December 31, 2024 and for Fiscal 2024, and Fiscal 2023:

(₹ in Lakhs)

Particulars	Nine months period ended on December 31, 2024[#]	Fiscal 2024[#]	Fiscal 2023[#]
Contingent Liabilities			
Guarantees**			
Guarantees issued by the Company's Bankers on behalf of the Company	1974.53	1940.93	2249.76
VAT, Income Tax & ESIC Liability not acknowledged as a debt	314.09	345.09	366.09

As certified by Dipal R Shah & Co., Chartered Accountants, Statutory Auditor of Techno vide certificate dated March 24, 2025
***The amount assessed as Guarantees under contingent liability, pertain to (i) Earnest Money Deposit in the form of Bank Guarantees, (ii) Advance Bank Guarantees, (iii) Security deposit / Contract Performance Bank Guarantee, for performance of equipment which gets converted into Performance Bank Guarantee on completion of contract, and (iv) Performance Bank Guarantees. These bank guarantees issued on behalf of our material subsidiary have been secured by way of margin money in the form of Fixed Deposit of ₹ 66.34 Lakhs.*

If a significant portion of our material subsidiary contingent liabilities materialise, it could adversely affect its business, financial condition, results of operations and cash flows.

There can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current Financial Year or in the future. For further details in relation to our contingent liabilities, please refer to the section entitled "***Financial Statements***" and "***Management's Discussion and Analysis of Financial Position and Results of Operations"*** on page 216 and 302, respectively, of this Letter of Offer.

19. ***The management of our Company is dependent upon our Senior Management Personnel, Whole Time Director and Key Managerial Personnel***

We operate in an industry where the quality of our people is a critical asset. We benefit significantly from the vision, strategic guidance, experience and skills of several key members of our management team, which includes our Promoters, supported by the skills, efforts, expertise, continued performance and motivation of our Key Managerial Personnel, Senior Management and other personnel.

The table below sets forth the Key Managerial Personnel and Senior Management who have resigned from employment in Nine months ended December 31, 2024, Fiscal 2024 and Fiscal 2023 from our Company:

	Key Managerial Personnel and Senior Management (Number)	Key Managerial Personnel and Senior Management Attrition (Number)	Key Managerial Personnel and Senior Management Attrition rate (%) [#]
Nine months ended December 31, 2024	7	0	-
Fiscal 2024	7	1	14.29
Fiscal 2023	7	0	-

*[#]Attrition rate= (Total number of KMP and SMP resigned during the reporting period/ Total number of KMP and SM as on the last day of the reporting period) * 100*

If any of our Whole Time Director, Key Managerial Personnel and Senior Management cease to be associated with our Company and we fail to recruit suitable replacements in a timely manner, our ability to manage our growth and our business, results of operations and prospects may be adversely affected. For further details, see "***Our Management***" on page 209 of the Letter of Offer.

The overall attrition rate in our Company is 19.96%, 14.67% and 10.00% for the nine months period ended December 31,, 2024, Fiscal 2024 and 2023, respectively.

The overall attrition rate of our material subsidiary is 12.00 %, 14.96 % and 20.92 % for the nine months period ended December 31, 2024, Fiscal 2024 and 2023, respectively.

20. ***Certain case papers in relation to some litigation matters involving our Material Subsidiary is not traceable.***

Our Material Subsidiary is unable to trace documents pertaining to the case of Techno Industries Private Limited vs. Apco Motors India Private Limited & Anr (Comm CS 3438/2021 – City Civil and Sessions Court, Ahmedabad).

While the Company has made best efforts in retrieving the same, the current status of the case is not known to us.

21. ***We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further, we have not identified any alternate source of financing the 'Objects of the Issue'. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

As of date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our capital requirements through our net owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and the results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled "***Objects of the Issue***" beginning on page 76 of this Letter of Offer.

In the event our Company does not receive the minimum subscription of 90% of the total Issue Size or the subscription level falls below 90% of the total Issue Size after the Issue Closing Date, on account of withdrawal of Applications or technical rejections or any other reason, our Company shall refund the entire subscription amount received within such period as may be prescribed under applicable law. On occurrence of such an event, we shall be unable to meet our capital requirements. We do not have any alternate sources of finance available, therefore in such an event we shall be forced to approach lenders for seeking additional finance for meeting our Objects of the Issue. The occurrence of any such event could have an adverse impact on our financial conditions and results of operations.

22. ***We operate in highly competitive markets and our business, results of operations, financial condition and future prospects will depend on how effectively we compete.***

We face competition from various international and domestic companies. Our competitors may have significantly greater financial or marketing resources and operate larger global networks than we do. Further, we operate within an industry comprising of Indian and multinational players resulting in a stiff competition from these players. Pricing is unregulated in our industry and is a key differentiator in our industry and, accordingly, our competitors may engage in price competition.

If we do not maintain or gain sufficient market presence or are unable to differentiate ourselves from our competitors, we may not be able to compete effectively with our competitors. Our ability to compete effectively may be constrained by the following factors:

- Loss of key members of our management team and experienced employees (in particular, those that have relationships with our key customers) to our competitors;
- Competitors may enter into alliances with international providers and have access to an extensive distribution network, larger customer base as well as resources and technologies that may not be available to us;
- Our competitors may be able to procure funding for their operations at more favorable terms than us;
- Our competitors may deploy more advanced technology; and
- Certain domestic or regional competitors may have a lower cost base than ours

While we have historically been able to conduct our business at competitive margins and on a cost-effective basis, there can be no assurance that we will be able to do so in the future. Some of our competitors may have significantly greater financial resources, provide better pricing, or provide shorter delivery times and may have greater market reach as compared to us. Also, our ability to compete depends on a number of factors beyond our control, including the ability of our competitors to attract, train, motivate and retain highly skilled technical employees which may adversely affect our profitability and market share, in turn, affecting our business, financial condition, results of operations and future prospects.

For further details, please see "***Industry Overview***" and "***Our Business***" on page 106 and 174.

23. ***Our workshops are subject to operating risks. Any shutdown of our existing workshops or other production problems caused by unforeseen events may reduce sales and adversely affect our business, cash flows, results of operations and financial condition.***

As of the date of this Letter of Offer, our Company operates 5 workshops which are located at Murbad, Thane. Our manufacturing facilities are subject to operating risks, and we may encounter manufacturing problems or experience difficulties or delays in production as a result of occurrence of the following events or any other events beyond our control:

- forced or voluntary closure of manufacturing facilities, including as a result of regulatory actions;
- problems with supply chain continuity, including as a result of natural or man-made disasters at any of our manufacturing facilities;
- manufacturing shutdowns, breakdown or failure of equipment, equipment performance below expected levels of efficiency, obsolescence of our equipment and production facilities, industrial accidents and the need to comply with the directives of relevant government authorities;

- labour disputes, strikes, lockouts that may result in temporary shutdowns or manufacturing disruptions;
- any changes in the availability of power or water availability which impacts the entire region;
- failure of a supplier to provide us with the critical raw materials or components for an extended period of time, which could impact continuous supply; and
- changes in political relationships between India and the countries in which we export and local political tensions

We have not experienced any instances which had disrupted our operations at our manufacturing facilities in the last two Fiscals, we cannot assure you that such instance will not arise in the future.

24. ***We are required to furnish bank guarantees as part of our business. Our inability to arrange such guarantees or the invocation of such guarantees may adversely affect our cash flows and financial condition.***

As part of our business and as is customary, we are required to provide advance bank guarantees, contract performance bank guarantees and/or performance bank guarantees in favour of our project clients under the respective contracts for our projects. For our projects, we typically issue bank guarantees to our project clients with whom the contractual arrangement has been entered into. Advance bank guarantees are required to be furnished for receiving advance money from our customers, contract performance bank guarantees are to be issued in the initial period of the contract which needs to be valid till the performance period and performance bank guarantees is required to be issued to release the retention money and should remain valid up till completion of performance period which generally ranges between 12 to 24 months. We may not be able to continue obtaining new financial and performance bank guarantees in sufficient quantities to match our business requirements. If we are unable to provide sufficient collateral to secure the financial bank guarantees, performance bank guarantees or letters of credit, our ability to enter into new contracts or obtain adequate supplies could be limited and could have a material adverse effect on our business, results of operations and financial condition. Further, the process of obtaining letters of credit, financial and performance bank guarantees, tends to increase our working capital requirements.

As of nine months period ended December 31, 2024, (as certified by S Y Lodha and Associates, Chartered Accountants, *vide* their Certificate dated March 25, 2025) and for Fiscal 2024 and Fiscal 2023 as extracted from our Financial Information, we had issued bank guarantees amounting to ₹ 3,080.67 Lakhs, ₹ 3,242.34 Lakhs and ₹ 1,550.33 Lakhs respectively, towards securing our financial / performance obligations under our ongoing projects.

For Techno, as of nine months period ended December 31, 2024, as certified by Dipal R Shah & Co., Chartered Accountants, *vide* their Certificate dated March 24, 2025 and for Fiscal 2024 and Fiscal 2023 as extracted from Financial Statements, Techno has issued bank guarantees amounting to ₹ 1974.53 Lakhs, ₹ 1,940.93 Lakhs and ₹ 2,249.76 Lakhs respectively, towards securing the financial / performance obligations.

We may be unable to fulfil any or all of our obligations under the contracts entered into by us in relation to our ongoing projects due to unforeseen circumstances which may result in a default under our contracts resulting in invocation of the bank guarantees issued by us. If any or all the bank guarantees are invoked, it may result in a material adverse effect on our business and financial condition.

25. ***This Letter of Offer contains information from third parties, including an industry report commissioned and paid for which is exclusively prepared for the purposes of the Issue and issued by CRISIL Limited, which has been used for industry related data in this Letter of Offer. Accordingly, prospective investors are advised not to base their investment decision solely on such information.***

The Letter of Offer includes information that is derived from the CRISIL Report, exclusively prepared and issued by CRISIL for the purposes of the Issue. The CRISIL Report is subject to various limitations and based upon certain assumptions that are subjective in nature. We have exclusively commissioned and paid for the CRISIL Report for the purpose of confirming our understanding of the industry in

connection with the Issue. CRISIL is not in any manner related to us and our Directors The CRISIL Report is not exhaustive and is based on certain assumptions, parameters and conditions made and identified by CRISIL that may prove to be incorrect. Given the scope and extent of the CRISIL.

Report, disclosures are limited to certain excerpts and the CRISIL Report has not been reproduced in its entirety in the Letter of Offer. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this document. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

26. ***Any failure to protect our intellectual property rights could adversely affect our competitive position, business, financial condition and results of operation***.

Presently, our Company is using the logo  For further details, please see "Our Business – Intellectual Property" on page 203. The use of our trademarks or logos by third parties could adversely affect our reputation, which could in turn adversely affect our business and results of operations. We may not be able to prevent infringement of our trademarks and a passing off action may not provide sufficient protection until such time that this registration is granted. If our trademarks or other intellectual property are improperly used, the value and reputation of our brands could be harmed. The measures we take to protect our intellectual property may not be adequate to prevent unauthorized use of our intellectual property by third parties. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe upon our rights, which may have an adverse effect on our business, results of operations and financial condition.

27. ***Any inability on our part to maintain quality standards or keep pace with the technological developments could adversely impact our business, results of operations and financial conditions.***

Our business is dependent on the trust our customers have in the quality of our products. The products we manufacture must meet our customers' quality standards. Although we have put in place quality control procedures, we cannot assure that our products will always be able to satisfy our customers' quality standards.

Any negative publicity regarding our Company, or products, including those arising from a drop in quality of our products from our vendors, or any other unforeseen events could adversely affect our reputation, our operations and our results from operations. Any rapid change in our customers' expectation on account of changes in technology or introduction of new products or for any other reason and failure on our part to meet their expectation could adversely affect our business, result of operations and financial condition. Our failure to anticipate or to respond adequately to changing technical, market demands and/or client requirements could adversely affect our business and financial results.

28. ***The security of our IT systems may fail and adversely affect our business, operations, financial condition and reputation.***

Our company leverages the SAP ERP software to manage our business operations. The security of our systems and the data they store or transmit is paramount, and we rely on meticulously crafted security policies, procedures, and capabilities to ensure their protection. To date, SAP has maintained an impeccable record with no history of cybersecurity issues, underscoring its reliability and robustness.

However, in the ever-evolving landscape of cybersecurity threats, SAP remains proactive by providing regular security updates to fortify its system against potential vulnerabilities. We diligently implement these updates periodically to ensure our systems remain secure and resilient.

Any delay in implementation or disruption of the functioning of our information technology systems could disrupt our ability to track, record and analyse work-in-progress or cause loss of data and disruption to our operations. Our computer systems, software and networks may be vulnerable to unauthorised access, computer viruses or other malicious code and other events that could compromise data integrity

and security. Although we maintain procedures and policies to protect our IT systems, any failure of our IT systems may result in business interruption, material financial loss, initiation of regulatory actions and legal proceedings and harm to our reputation.

29. ***The securities of our Company are listed on the Stock Exchanges and our Company must, therefore, comply with the obligations and reporting requirements set out under the SEBI Listing Regulations. Any non-compliance/delay in complying with such obligations and reporting requirements may render us/our promoters liable to prosecution and/or penalties.***

Our Company is a listed company in India and must adhere to the obligations and reporting requirements under the SEBI Listing Regulations. Our Company is in compliance of the SEBI Listing Regulations for the last one year preceding the date of this Letter of Offer. While our Company endeavours to comply with such obligations and reporting requirements on a regular basis and within the timelines prescribed under the SEBI Listing Regulations, we cannot assure you that there will not be a lapse in such compliance in the future. Any such delay or non-compliance by our Company may attract prosecution and/or penalties on us under the SEBI Listing Regulations.

30. ***Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by a financial institution or a bank or any other independent agency and are based on management estimates.***

Our funding requirements set out in the section titled "***Objects of the Issue***" on page no 76 are based on management estimates and have not been appraised by any bank or financial institution or any other independent agency. Our funding requirements are based on our current business plan and may vary based on various factors including macro-economic and other changes. In view of the dynamic nature of the industry in which we operate, we may have to revise our business plan from time to time and, consequently, the funding requirement and the utilisation of proceeds from the Issue may also change. This may also include rescheduling the proposed utilisation of Net Proceeds at the discretion of our management estimates and we have also not entered into definitive agreements to utilize certain portions of the Net Proceeds of the Issue. We may make necessary changes to utilisation of Net Proceeds in compliance with the provisions of the Companies Act. In the event of any variation in actual utilisation of the Net Proceeds, any increased fund deployment for a particular activity may be met from funds earmarked from any other activity and/or from our internal accruals, subject to compliance with applicable laws. Further, any such revision in the estimates may require us to revise our projected expenditure which may have a bearing on our profitability.

31. ***Any variation in the utilisation of our Net Proceeds would be subject to certain compliance requirements, including prior Shareholders' approval.***

We propose to utilise the Net Proceeds towards our Capital expenditure, acquisition of Engineering assets, working capital, General Corporate Purposes and for Techno, our Material subsidiary towards Second tranche of equity shares, Acquisition of leasehold rights, capital expenditure and working capital. For further details of the proposed objects of the Issue, please see section titled "***Objects of the Issue***" on page 76. We cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. However, we have not entered into any definitive agreements and do not have any definite and specific commitments towards the aforementioned purposes for which our Company intends to use the Net Proceeds. Further, the Net Proceeds are intended to be utilised by the Company only. The planned use of the Net Proceeds is based on current conditions and is subject to changes in external circumstances, costs, other financial conditions or business strategies. Any variation in the planned use of the Net Proceeds would require Shareholders' approval by passing a special resolution and our Promoters will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects, in accordance with SEBI ICDR Regulations and may involve considerable time or cost overrun and in such an eventuality it may adversely affect our operations or business.

32. ***If we are unable to raise additional capital, our business, operations, prospects or financial results may be materially and adversely affected.***

We will continue to incur significant expenditure in maintaining and growing our existing business. We cannot assure you that we will have sufficient capital resources for our current operations or any future expansion plans that we may have. While we expect our cash flow from operations to be adequate to fund our existing commitments, our ability to incur any future borrowings is dependent upon the success of our operations. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. Any unfavorable change to terms of borrowings may materially and adversely affect our cash flows, operations, prospects or financial results. If we decide to meet our capital requirements through debt financing, we may be subject to certain restrictive covenants. If we are unable to raise adequate capital in a timely manner and on acceptable terms, or at all, our business, operations, prospects or financial results could be materially and adversely affected.

33. ***The Proforma Condensed Consolidated Financial Statements included in this DLOF to reflect the impact of the Techno Acquisition is not indicative of our future financial condition or financial performance.***

Our Company recently acquired a substantial equity stake in Techno Industries pursuant to which Techno will become our Material Subsidiary. For further details, see "***Our Business***" on page 174.

Our Proforma Condensed Consolidated Financial Statements as at and for the six months period ended September 30, 2024 and for the Financial Year ended March 31, 2024 has been prepared for illustrative purposes only, and presents the impact of the Techno's Acquisition on our Company, including the results of operations and the financial position of our Company that would have resulted had the acquisition been completed on a date occurring at the beginning of the last completed financial year presented in the Financial Information, i.e., April 01, 2023.

Our Proforma Condensed Consolidated Financial Statements are not a substitute for our past results and may not necessarily be indicative of what our actual results of operations, financial position and cash flows would have been for such period or as at such date, nor are these intended to be indicative of expected results or operations in the future periods or our future financial position. For further details, see "***Proforma Condensed Consolidated Financial Statements***" on page 321.

Our Proforma Condensed Consolidated Financial Statements does not include all of the information required for financial statements under Ind AS. It does not include any adjustment for liabilities or related costs that may result from the Techno Acquisition, nor do they reflect any adjustments for potential synergies therefrom. Further, our Proforma Financial Statements was not prepared in accordance with auditing or other standards and practices generally accepted in other jurisdictions or in connection with an offering registered with the SEC under the U.S. Securities Act, and consequently, does not comply with the presentation of proforma financial information in accordance with those standards and practices. Accordingly, the degree of reliance placed by investors on our Proforma Condensed Consolidated Financial Statements should be limited.

34. ***All of our workshops (Company and our material subsidiary) are exposed to potential risks arising from local and regional factors such as adverse social and political events, weather conditions and natural disasters***

Our Locations (Lloyds):

We operate from the following premises:

Workshop Locations	Plot No. A 5/4 MIDC Industrial Area, P.O. Murbad, Thane 421401, Maharashtra Plot No. A 5/5 MIDC Industrial Area, P.O. Murbad, Thane 421401, Maharashtra

	Plot No. A 6/3 MIDC Industrial Area, P.O. Murbad, Thane 421401, Maharashtra Plot No. A 8/4 MIDC Industrial Area, P.O. Murbad, Thane 421401, Maharashtra Plot No. K3, Additional MIDC Industrial Area, Kudavali Village, P.O. Murbad, Thane 421401, Maharashtra

Our Material Subsidiary (Techno):

Techno operates from the following premises:

Registered Office and Factory Location of Company	Plot No 5002, Nr Indo German Tool Room, GIDC Phase IV, Vatva, Ahmedabad 382445, Gujarat
Second Factory Location	Plot No 505, GIDC Phase – IV, Vatva, Ahmedabad 382445, Gujarat

All of the workshops as mentioned above, are susceptible to potential risks due to the geographic concentration of our workshops, our operations are susceptible to local and regional factors, such as civil unrest as well as other adverse social, economic and political events, regional conflicts or natural disasters and/or calamities and other unforeseen events and circumstances.

Further, our business activities and projects may be materially and adversely affected by severe weather conditions, which may result in our personnel being unable to reach our workshops or our on-site locations or force us to evacuate personnel or curtail services, replace damaged equipment and facilities or suspend our execution activities during the critical phases of our projects, which may adversely affect our business, financial conditions, cash flows, and results of operations.

35. ***Any change in existing government policies providing support to the engineering sector, or new policies withdrawing support presently available could adversely affect our business and the results of operations.***

Any change in existing government policies providing support to engineering sector, or new policies withdrawing support presently available, in the jurisdictions in which we have operations could adversely affect the supply and demand balance and the competitive environment.

36. ***Our business activities and projects are exposed to seasonality and weather conditions, or other disasters and calamities.***

(₹ in Lakhs)

Fiscal 2025			Fiscal 2024				Fiscal 2023			
Quarter ended December 31, 2024	**Quarter ended September 30, 2024**	**Quarter ended June 30, 2024**	**Quarter ended March 31, 2024**	**Quarter ended December 31, 2023**	**Quarter ended September 30, 2023**	**Quarter ended June 30, 2023**	**Quarter ended March 31, 2023**	**Quarter ended December 31, 2022**	**Quarter ended September 30, 2022**	**Quarter ended June 30, 2022**
22,971.59	21,214.60	13,542.40	18,790.26	20,144.14	12,177.55	11,311.66	17,384.99	5,840.93	2,957.99	5,077.07
		H1FY2025		H2FY2024		H1FY2024		H2FY2023		H1FY2023
		34,757.00		38,934.40		23,489.21		23,225.92		8,035.06
				62.37%		37.63%		74.30%		25.70%

Note-1: For Nine months period ended December 31, 2024, our Revenue from Operations were Rs. 57,728.59 Lakhs.
Note-2: The above table is on standalone basis

Historically our Revenues from Operations have been higher in the Second Half of the Financial Year as compared to the First Half, however, we cannot assure you that the same trend will continue in the future. Therefore, our results of operations and cash flows across quarters in a Fiscal year may not be comparable sequentially and any such comparisons may not be meaningful or may not be indicative of our annual financial results or our results in any future quarters or periods.

Further, our business activities and projects may be materially and adversely affected by severe weather conditions, which may result in our personnel being unable to reach our workshops or our on-site locations or force us to evacuate personnel or curtail services, replace damaged equipment and facilities

or suspend our execution activities during the critical periods of our projects. Our business activities may also be adversely affected by other natural disasters, including earthquakes and floods, which may cause interruptions of our operations and damages to our properties and working environment which may not be adequately covered by the insurance policies availed by us. During periods of curtailed activity due to severe weather conditions or natural disasters, we may continue to incur operating expenses but our revenues from operations may be delayed or reduced.

37. ***Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows and working capital and capital expenditure requirements.***

Our Company has declared dividends amounting to ₹ 1,078.88 Lakhs and ₹ 494.35 Lakhs of Paid- Up Equity Share Capital for Fiscal 2024 and Fiscal 2023, respectively. The declaration, payment and amount of any future dividends is subject to the discretion of the Board and Shareholders, and will depend upon various factors, inter alia, our earnings, financial position, capital expenditures and availability of profits, restrictive covenants in our financing arrangements and other prevailing regulatory conditions from time to time. Any of these factors may thus restrict our ability to pay dividends in the future. If we are unable to pay dividends in the future realization of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

38. ***We could be harmed by employee misconduct that are difficult to detect and any such incidences could adversely affect our financial conditions, results of operations and reputation.***

There has been no instance of employee misconduct in our Company. However, future instances of the same could expose us to business risks or losses, including regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may undertake actions that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

39. ***We are subject to the risk of fraud, theft, embezzlement by our employees, contractors and customers, employee negligence or similar incidents may adversely affect our results of operations and financial condition.***

Our operations may be subject to incidents of theft or damage to inventory in transit, prior to or during stocking. While we have not encountered such situations in the past, we acknowledge that there is a possibility of experiencing some inventory loss on account of employee/contractor/vendor fraud, theft, embezzlement and general administrative error. Although, we have set up various security measures, including tagging our products, CCTV in our offices and the existing manufacturing facility at Thane, deployment of security guards and follow stringent operational processes such as periodic stock taking there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition.

ISSUE SPECIFIC RISK

40. ***Our Company will not distribute Letter of Offer, the Abridged Letter of Offer and Application Form to overseas Shareholders who have not provided an address in India for service of documents.***

Our Company will dispatch Letter of Offer, the Abridged Letter of Offer, Rights Entitlement Letter and Application Form (the "Issuing Materials") to such Shareholders who have provided an address in India for the service of documents. Our Company may send the Issue Materials to overseas Shareholders by electronic mode, whose email addresses are registered with the Company. The Shareholders who do not receive the Issue Materials may apply for the Rights Issue Shares, along with the requisite application money, by making an application that is available on the website of the Registrar, Stock Exchanges, Lead Manager or on a plain paper with same details as per the application form available online.

41. ***SEBI has recently, by way of a Master Circular streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars, and in this Letter of Offer.***

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI Master Circular and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. Further, while in accordance with the SEBI Master Circular, the credit of Rights Entitlements shall be made into the demat accounts of the Eligible Equity Shareholders as on the Record Date, such Eligible Equity Shareholders shall participate in the Issue only in accordance with the applicable laws in their respective jurisdictions. For details, see "***Terms of the Issue***" beginning on page 362 of this Letter of Offer.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialized form; and (ii) a demat escrow account (namely, " M/S. LLOYDS ENGINEERING WORKS LIMITED - RIGHTS ISSUE ESCROW ENTITLEMENT DEMAT ACCOUNT ") opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

42. ***The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form ("Physical Shareholder") may lapse in case they fail to furnish the details of their demat account to the Registrar.***

In accordance with the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in an escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date shall lapse. Further, pursuant to a press release dated December 03, 2018, issued by the SEBI, with effect from April 01, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares).

43. ***Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.***

Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are

credited to the demat account of the Renouncees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements. For details, please refer to "***Terms of the Issue***" beginning on page 362 of this Letter of Offer.

44. ***Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoters or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoters and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

45. ***Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian company are generally taxable in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on gains made upon the sale of the Equity Shares.

46. ***Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.***

In terms of the SEBI ICDR Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation, cash flows or financial condition, or other events affecting the Applicant's decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

47. ***You may not receive the Equity Shares that you subscribe to in the Issue until within fifteen days after the date on which this Issue closes, which will subject you to market risk.***

The Equity Shares that you subscribe to in the Issue may not be credited to your demat account with the depository participants until within 15 days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no

assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

48. ***There is no guarantee that our Equity Shares will be listed, or continue to be listed, on the stock exchanges in a timely manner or at all, which may adversely affect the trading price of our Equity Shares.***

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchanges until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

49. ***Investment in Rights Shares is exposed to certain risks. From the Call Record Date for each Call prior to the final Call, the trading of the Rights Equity Shares would be suspended for a period under applicable law. Further, the Rights Equity Shares will not be traded with effect from the Call Record Date for the final call fixed for the determination of the Investors liable to pay Call Monies, with terms and conditions such as the number of Calls and the timing and quantum of each Call as may be decided by our Board or Securities Issue Committee from time to time. The holders of the Rights Equity Shares will not be able to trade in these securities till they are credited to the holders' account as fully paid-up. Further, until the subsistence of Rights Equity Shares issued by way of this Issue, we may not be able to undertake certain forms of equity capital raising.***

Investors will have to pay ₹ 16 (50 % of the Issue Price) per Rights Equity Share. The balance amount (after payment of the Application Money), ₹ 16 (50 % of the Issue Price) per Rights Equity Share, will be payable by the Rights Equity Shareholders in not more than two Calls, with terms and conditions such as the number of Calls and the timing and quantum of each Call as may be decided by our Board/ Securities Issue Committee from time to time, to be completed on or prior to March 31, 2026, pursuant to market and other applicable considerations.

The Rights Equity Shares offered under this Issue will be listed under a separate ISIN. An active market for trading may not develop for the Rights Equity Shares. This may affect the liquidity of the Rights Equity Shares and restrict your ability to sell them. If our Company does not receive the Call Money as per the timelines stipulated in the Call notice, unless extended by our Board or Securities Issue Committee, the defaulting Rights Equity Shareholders will be liable to pay interest as may be fixed by our Board or Securities Issue Committee unless waived or our Company may forfeit the Application Money and any Call Money received for previous Calls made, in accordance with the Companies Act, 2013 and our Articles of Association. For details, see "*Terms of the Issue*" on page 362.

Rights Equity Shareholders are only entitled to dividends in proportion to the amount paid up and the voting rights (exercisable on a poll) by investors shall also be proportional to such investor's share of the paid-up equity capital of our Company. If certain investors do not pay the full amount, we may not be able to raise the amount proposed under this Issue. The ISIN representing partly paid-up Rights Equity Shares will be terminated after the Call Record Date for the final Call. On payment of the final Call in respect of the partly paid-up Rights Equity Shares, such partly paid-up Rights Equity Shares would be converted into fully paid-up Rights Equity Shares and shall be listed and identified under the existing ISIN for our fully paid-up Equity Shares. Our Company would fix a Call Record Date for the purpose of determining the list of allottees to whom the notice for the final Call would be sent. From the Call Record Date for each Call prior to the final Call, the trading of the Rights Equity Shares would be suspended for a period under the applicable law. Further, with effect from the Call Record Date, trading in the partly paid-up Rights Equity Shares for which final Call have been made, would be suspended prior to the Call Record Date, for such period as may be applicable under the rules and regulations.

Furthermore, the holders of the partly paid-up Rights Equity Shares will not be able to trade in these shares until they are credited to the holders' account as fully paid-up Rights Equity Shares. Further, there is limited history of trading partly paid-up shares in India and therefore, there could be less liquidity in the trading of partly paid-up shares, which may cause the price of the Equity Shares to fall and may limit ability of Investors to sell the Equity Shares. There may also be a risk of the Rights Equity Shares not forming part of the index. Further, until the subsistence of Rights Equity Shares, we cannot undertake further rights issues, further public offers or bonus issues, since in terms of Regulations 62 and 104 of the SEBI ICDR Regulations, an issuer making a rights issue or further public offer is required to ensure that all its existing partly paid-up equity shares have either been fully paid-up or have been forfeited. Additionally, a bonus issue will not be permitted under law till the subsistence of partly paid-up equity shares in terms of Regulation 293 of the SEBI ICDR Regulations**.**

50. ***Non-receipt of complete Call Money(ies) may have an impact of a consequential shortfall in Net Proceeds and shall also result in forfeiture of the Rights Equity Shares allotted to such Eligible Equity Shareholders who fail to pay Call Money(ies)***

The Calls shall be deemed to have been made at the time when the resolution authorizing such calls is passed at the meeting of our Board/ Securities Issue Committee. The Calls may be revoked or postponed at the discretion of our Board/ Securities Issue Committee, from time to time. Pursuant to the provisions of the Articles of Association, investors will be given at least 15 days' notice in writing for the payment of the Calls. Our Board/ Rights Issue Committee may, from time to time at its discretion, extend the time fixed for the payments of the Calls. Our Company, at its sole discretion, may send reminders for the calls as it deems fit, and if it does not receive the Call Money(ies) as per the timelines stipulated, it would forfeit the Application Money. Non-receipt of complete Call Money(ies) and a consequential forfeiture of the Application Money may lead to a shortfall in the Net Proceeds, which may have to be met out of internal accruals and may impact the business and capital expenditure plans. For details, see "*Objects of the Issue*" on page 76.

The non-receipt of the Call Monies within the timelines stipulated would also result in forfeiture of the Rights Equity Shares of such Eligible Equity Shareholders in accordance with the Companies Act, 2013 and Articles of Association

51. ***Holders of Equity Shares in foreign jurisdictions could be restricted in their ability to exercise their entitlement to shares of an Indian company and could thereby suffer future dilution of their ownership position.***

Under the Companies Act, a company incorporated in India must first offer its shares to the holders of its equity shares to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages, unless this entitlement has been waived by the holders of equity shares by adoption of a special resolution. If the law of the foreign jurisdiction that you are in does not permit the exercise of such entitlement, without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to subscribe to the shares of our Company, unless we make such a filing. We may elect not to file a registration statement in relation to such shares. To the extent that you are unable to exercise the entitlement granted in respect of the Equity Shares, your proportional interests in us would be reduced.

52. ***Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may adversely affect the value of our Equity Shares, independent of our operating results.***

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may adversely affect the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

53. ***Rights of shareholders under Indian laws may may differ under the laws of other jurisdictions.***

Indian laws and legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law, including in relation to class actions, may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as shareholder of an entity in another jurisdiction.

EXTERNAL RISK FACTOR

54. ***Availability of credit or financing is a major factor which can have a direct bearing on the performance of the Company.***

Availability of credit or financing is a major factor which can have a direct bearing on the performance of the Company. Tightening of credit norms by the financers due to economic conditions can have an adverse effect on the performance of the Company.

55. ***Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.***

The industry in which we operate is subject to significant changes in technology. To maintain the competitiveness of our business, we need to keep pace with technological developments and changing standards. If we are unable to adequately respond to the technological changes and the technologies currently employed by us become obsolete, our business, financial condition and results of operations may be materially and adversely affected. In addition, the cost of implementing new technologies and upgrading our plants to keep pace with technological developments may be significant and may adversely affect our results of operations.

56. ***Our business may be affected by certain disruptions.***

Industrial disruptions, work stoppages, labour disputes, refurbishments, installation of new plants etc. can result in production losses, which may adversely affect our profitability. Production may fall below historic or estimated levels as a result of these causes.

57. ***Failure to keep abreast with the latest trends in technology may adversely affect our cost competitiveness and may affect our financial condition adversely.***

Our Company cannot assure that it would successfully implement new technology effectively or adapt to emerging industry standards. If our Company is unable to upgrade itself due to technical, financial, legal and/or other reasons to adapt in timely manner to the changing market conditions, its business, financial performance could be adversely affected.

58. ***If we are unable to implement our growth strategies in a timely manner, our business and results of operations could be adversely affected.***

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategy may place significant demands on our management and other resources. Our growth strategies involve risks and difficulties, many of which are beyond our control and accordingly there can be no assurance that we will be able to complete our plans on schedule or without incurring additional expenditures or at all. There can be no assurance that we will be able to execute our strategy on time and within the estimated budget in the future. If we are unable to implement our business and growth strategy, this may have an adverse effect on our business, financial condition and results of operations.

59. ***Any mishaps or accidents at facilities or any emission or leakage from factory could lead to property damage, production loss and accident claims.***

Any mishap or accident in facilities could result in claims against us for damages by employees. We could suffer loss of production, receive adverse publicity and experience diversion of management attention and resources in defending such claims. Any such significant event could have an adverse effect on business, financial condition and results of operations. The manufacturing process does not emit any hazardous effluents. The unit has obtained a No Objection Certificate from Maharashtra Pollution Control Board.

60. ***The failure to keep technical knowledge confidential could erode competitive advantage.***

The Company possesses extensive technical knowledge about products. Technical knowledge is a significant independent asset, which may not be adequately protected by intellectual property rights such as patent registration. Some of the technical knowledge is protected only by secrecy. As a result, we cannot be certain that technical knowledge will remain confidential in the long run. A significant number of employees have access to confidential design and product information and there can be no assurance that this information will remain confidential. Moreover, certain employees may leave us and join various competitors

61. ***Adverse geopolitical conditions such as increased tensions between India and its neighbouring countries, could adversely affect our business, results of operations and financial condition.***

Adverse geopolitical conditions such as increased tensions between India and its neighbouring countries, resulting in any military conflict in the region could adversely affect our business and operations. Such events may lead to countries including the Government of India imposing restrictions on the import or export of products or raw materials, among others, and affect our ability to procure raw materials required for our manufacturing operations. We could also be affected by the introduction of or increase in the levy of import tariffs in India, or in the countries to which we export our products, or changes in trade agreements between countries. For instance, the Government of India has imposed additional tariffs in the nature of countervailing duty and anti-dumping duty on a number of items imported from China. Any such measure which affects our raw material supply or reciprocal duties imposed on Indian products by China or other countries may adversely affect our results of operations and financial condition.

62. ***Political, economic or other factors that are beyond our control may have adversely affect our business and results of operations.***

The Indian economy is influenced by economic developments in other countries. These factors could depress economic activity, which could have an adverse effect on our business, financial condition and results of operations. Any financial disruption could have an adverse effect on our business and future financial performance.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional and global economies.

Economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production.

Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

63. ***A slowdown in economic growth in India could cause our business to suffer.***

We are incorporated in India, and all of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. A slowdown in the Indian economy could adversely affect our business, including our ability to grow our assets, the quality of our assets, and our ability to implement our strategy.

Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India;
- prevailing income conditions among Indian consumers and Indian corporations;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- prevailing regional or global economic conditions; and
- other significant regulatory or economic developments in or affecting India

Any slowdown in the Indian economy or in the growth of the sectors we participate in or future volatility in global commodity prices could adversely affect our borrowers and contractual counterparties. This in turn could adversely affect our business and financial performance and the price of our Equity Shares.

64. ***The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. In addition, any deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years, and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business.

Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

65. ***We are subject to regulatory, economic, social and political uncertainties and other factors beyond our control.***

We are incorporated in India, and we conduct our corporate affairs and our business in India. Consequently, our business, operations, financial performance will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

Factors that may adversely affect the Indian economy, and hence our results of operations may include:

- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;
- epidemic or any other public health in India or in countries in the region or globally, including in India's various neighboring countries;
- hostile or war like situations with the neighboring countries;

- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- downgrading of India’s sovereign debt rating by rating agencies; and
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy or certain regions in India, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

SECTION III – INTRODUCTION

THE ISSUE

This Issue has been authorised through a resolution passed by our Board at its meeting held on July 30, 2024, pursuant to Section 62(1)(a) and other applicable provisions of the Companies Act. The terms and conditions of the Issue including the Rights Entitlement, Issue Price, Record Date, timing of the Issue and other related matters, have been approved by a resolution passed by the Board of Directors/ Securities Issue Committee at its meeting held on April 17, 2025.

The following is a summary of the Issue, and it should be read in conjunction with, and is qualified entirely by, the information set out in the chapter titled "***Terms of the Issue***" beginning on page 362 of this Letter of Offer.

Particulars	Details of Equity Shares
Rights Equity Shares being offered by our Company	Up to 30,85,17,476 Rights Equity Shares (partly paid-up)
Rights Entitlement for the Rights Equity Shares	9 Rights Equity Share for every 34 Fully Paid up Equity Shares held on the Record Date
Record Date	Monday, April 28, 2025
Face Value per Equity Share	₹1
Issue Price	₹ 32 per Rights Equity Share (including a premium of ₹ 31 per Rights Equity Share) On Application, Investors will have to pay ₹ 16 (50 % of the Issue Price) per Rights Equity Share. The balance amount (after payment of the Application Money), ₹ 16 (50 % of the Issue Price) per Rights Equity Share, will be payable by the Rights Equity Shareholders in not more than two Calls, with terms and conditions such as the number of Calls and the timing and quantum of each Call as may be decided by our Board/ Securities Issue Committee from time to time, to be completed on or prior to March 31, 2026, pursuant to the Payment Schedule. For further details on Payment Schedule, see "***Terms of the Issue – Payment Terms***" on page 312.
Dividend	Such dividend, in proportion to the amount paid-up on the Rights Equity Shares, as may be recommended by our Board and declared by our shareholders, as per applicable laws
Issue Size	Upto ₹ 98,725.59 Lakhs*
Equity Shares issued, subscribed, paid up and outstanding prior to the Issue	1,16,55,10,466 Equity Shares. For details, please refer to "***Capital Structure***" beginning on page 71 of this Letter of Offer
Equity Shares outstanding after the Issue	147,40,27,942 * Equity Shares of ₹ 1 each, fully paid up
Security Codes for the Equity Shares	**ISIN:** INE093R01011 **BSE:** 539992 **NSE:** LLOYDSENGG
ISIN for Rights Entitlements#	INE093R20029
Terms of the Issue	For details, please refer to "***Terms of the Issue***" beginning on page 362 of this Letter of Offer.
Use of Gross Proceeds	For details, please refer to "***Objects of the Issue***" beginning on page 76 of this Letter of Offer.

** Assuming full subscription and receipt of all Call Monies, to be adjusted as per the Rights Entitlement ratio. Subject to finalisation of Basis of Allotment.*

Our Company would obtain a separate ISIN for the Rights Equity Shares for each Call, as may be required under applicable law.

Please refer to the chapter titled "***Terms of the Issue***" on page 362 of this Letter of Offer.

Payment Terms

₹ 32 per Rights Equity Share (including premium of ₹ 31 per Rights Equity Share) shall be payable as under:

Due Date	Face Value (₹)	Premium (₹)	Total (₹)
On Application	0.50	15.50	16.00*
Not more than two Calls, with terms and conditions such as the number of Calls and the timing and quantum of each Call as may be decided by our Board/ Securities Issue Committee from time to time to be completed on or prior to March 31, 2026	0.50	15.50	16.00**
Total (₹)	**1.00**	**31.00**	**32.00**

**Constitutes 50% of the Issue Price*
***Constitutes 50% of the Issue Price*

Rights Equity Shares in respect of which the Calls payable remains unpaid may be forfeited, after the due date for payment of the balance amount due in accordance with the Companies Act, 2013 and our Articles of Association.

GENERAL INFORMATION

Our Company was incorporated as "Climan Properties Private Limited" on September 19, 1994, as a private limited Company under the Companies Act, 1956 and was granted the Certificate of Incorporation by the Registrar of Companies, Mumbai. Subsequently, our Company was converted into a Public Limited Company and the name of our Company was changed to "Climan Properties Limited" on April 17, 2000, vide a fresh certificate of incorporation issued by the Registrar of Companies, Mumbai. Thereafter, the name of our Company was changed from "Climan Properties Limited" to "Encon Technologies Limited" pursuant to a fresh Certificate of Incorporation dated April 19, 2000. Subsequently, the name of our Company was changed to "Lloyds Encon Technologies (I) Limited" on May 31, 2011, vide a fresh certificate of incorporation issued by the Registrar of Companies, Mumbai. The name of our Company was changed to "Lloyds Steels Industries Limited" on May 04, 2013, vide a fresh Certificate of Incorporation issued by the Registrar of Companies, Mumbai.

Pursuant to a Scheme between UVSL and Lloyds Steels Industries Limited, the engineering division of UVSL was demerged from UVSL into Lloyds Steels Industries Limited, by the Hon'ble High Court of Judicature at Bombay vide its order dated October 30, 2015, and speaking to minutes of the order dated November 30, 2015. Subsequent to the sanction of the Scheme, Lloyds Steels Industries Limited was listed on the Stock Exchanges on July 18, 2016. The name of our Company was changed from "Lloyds Steels Industries Limited" to "Lloyds Engineering Works Limited" vide a fresh Certificate of Incorporation dated July 25, 2023, issued by the Registrar of Companies, Mumbai.

Registered Office
Plot number A-5/5,
MIDC Industrial Area,
Murbad, Thane 421 401.
Telephone: +91 2524-222271
Website: www.lloydsengg.in
E-mail: infoengg@lloyds.in

Corporate Office
A-2, Madhu Estate, 2nd Floor,
Pandurang Budhkar Marg,
Lower Parel, Mumbai 400 013.
Telephone: +91 22-62918111
Website: www.lloydsengg.in
E-mail: infoengg@lloyds.in

Corporate Identity Number: L28900MH1994PLC081235

Registration Number: 081235

Address of the Registrar of Companies

Our Company is registered with the RoC, Mumbai, which is situated at the following address:

Registrar of Companies, Mumbai
100, Everest
Marine Drive,
Mumbai 400 002
Maharashtra, India

Company Secretary and Compliance Officer
Rahima Shaikh
A-2, Madhu Estate, 2nd Floor,
Pandurang Budhkar Marg,
Lower Parel, Mumbai 400 013
Telephone: +91 22 6291 8111
E- mail: infoengg@lloyds.in

Legal Advisor to the Issue
Rajani Associates, Advocates and Solicitors
204-207, Krishna Chambers,
59, New Marine Lines,
Mumbai 400 020.
Telephone: +91 22 4096 1002
E-mail: sangeeta@rajaniassociates.net
Contact Person: Sangeeta Lakhi

Board of Directors of our Company

Name	Age	Designation	Address	DIN
Mukesh Rajnarayan Gupta	66	Chairman & Wholetime Director	Vandan CHS Ltd, 17th Floor, 29A Dongersey Road, Near Elizabeth Hospital, Walkeshwar, Mumbai 400 006	00028347
Shree Krishna Mukesh Gupta	32	Wholetime Director	Vandan CHS Ltd, 17th Floor, 29A, Dongersey Road, Near Elizabeth Hospital, Walkeshwar, Mumbai 400 006	06726742
Ashok Satyanarayan Tandon	66	Non-Executive Non-Independent Director	Flat No.20, Usha Kamal Cooperative Housing Society Ltd., Sector 15, Vashi, Navi Mumbai 400 703	00028301
Rajashekhar Mallikarjun Alegavi	74	Non-Executive Non-Independent Director	C-2/503, Shubharambh Complex, Chitalsar Manpada, Thane West, Thane 400 607	03584302
Bela Sundar Rajan	70	Non-Executive Independent Director	1202, 12th Floor, Kritika Towers, 11, Sion Trombay Road, Chembur, Mumbai 400 071	00548367
Lakshman Ananthsubramanian	75	Non-Executive Independent Director	C-1901, Mayuresh Residency, LBS Marg, Bhandup West, Mumbai 400 078	08648489
Kishor Kumar Mohanlal Pradhan	66	Non- Executive Independent Director	No. F/63, Maker Kundan Garden, Juhu-Tara Road, Near SNDT University, Santacruz (W), Mumbai 400 049	02749508
Ashok Kumar Sharma	64	Non- Executive Independent Director	6-B, Annapurna, Anushakti Nagar, Mumbai 400 094	09352764
Devidas Kashinath Kambale	73	Non- Executive Independent Director	T – 6 – 2102, Ebony Runwal Green Goregaon Mulund Link Road, Bhandup (W) Mumbai 400 078.	00020656

Details of Key Intermediaries pertaining to this Issue of our Company

Lead Manager to the Issue

Mark Corporate Advisors Private Limited
404/1, The Summit Business Bay,
Sant Janabai Road,
Off Western Express Highway, Vile Parle (East),
Mumbai 400 057
CIN: U67190MH2008PTC181996
Telephone: +91 22 2612 3207/08
E-mail id: rightsissue@markcorporateadvisors.com
Investor grievance e-mail id: investorgrievance@markcorporateadvisors.com
Contact person: Niraj Kothari
Website: www.markcorporateadvisors.com
SEBI registration No.: INM000012128

Registrar and Share Transfer Agent to the Company and the Issue

Bigshare Services Private Limited
Office No S6-2, 6th Floor
Pinnacle Business Park
Next to Ahura Centre, Mahakali Caves Road
Andheri (East), Mumbai 400 093
Telephone: +91 22 6263 8200/22
Email: rightsissue@bigshareonline.com
Investor grievance e-mail: investor@bigshareonline.com
Contact Person: Suraj Gupta
Website: www.bigshareonline.com
SEBI Registration No.: INR000001385

Key Bankers to the Company

ICICI Bank Limited
Address: Tarol, PO – Jagatpur,
Tehsil – Tangi, Chaudwar,
Odisha – 754 021
Contact person: Pratap Sahoo
Contact No: +91-7618777914
Website: icicibank.com
E-mail ID: Pratap.sahoo@icicibank.com
Designation: Account Manager

HDFC Bank Limited
Address: Kamala Mill Branch, Kamala City,
Senapati Bapat Marg, Lower Parel,
Mumbai 400 013
Contact No: +91 9322223058
Contact person: Rooshat Chitnis
Website: www.hdfcbank.com
E-mail ID: rooshat.chitnis@hdfcbank.com
Designation: Branch Manager

Banker to the Issue/ Escrow Collection Bank/ Refund Bank
ICICI Bank Limited
Address: Capital Market Division,
5th Floor, HT Parekh Marg,
Churchgate, Mumbai-400020
Contact No: +91 022 68052182
Contact person: Varun Badai
Website: www.icicibank.com
E-mail ID: ipocmg@icicibank.commailto:rooshat.chitnis@hdfcbank.com
SEBI Registration No.: INBI00000004

Statutory auditors of the Issuer

S Y Lodha and Associates, Chartered Accountants

Unit No 309,
New Sonal Link Industrial Service Premises
New Link Road, Malad West,
Mumbai 400 064
Firm Registration Number: 136002W
Membership No.: 143251
Telephone Number: 022-3563 5006
E-mail: query@syla.in
Peer Review Certificate Number: 014303

Experts

Our Company has received a written consent dated October 21, 2024 from LEWL's Statutory Auditors, S Y Lodha and Associates, to include their name in this Letter of Offer as an "expert", as required under Section 26(1) of the Companies Act, 2013 in this Letter of Offer, as defined under Section 2(38) of the Companies Act, to the extent and in their capacity as statutory auditors, and in respect of the reports issued by them and the Statement of Tax Benefits, included in this Letter of Offer. Such consent has not been withdrawn as on the date of this Letter of Offer. The term "expert" and "consent" does not represent an "expert" or "consent" within the meaning under the U.S. Securities Act.

Our Company has received a written consent dated November 12, 2024 from Techno's Statutory Auditors, Dipal R. Shah and Co., Chartered Accountants, to include their name in this Letter of Offer as an "expert", as required under Section 26(1) of the Companies Act, 2013 in this Letter of Offer, as defined under Section 2(38) of the Companies Act, to the extent and in their capacity as statutory auditors, and in respect of the reports issued by them, included in this Letter of Offer. Such consent has not been withdrawn as on the date of this Letter of Offer. The term "expert" and "consent" does not represent an "expert" or "consent" within the meaning under the U.S. Securities Act.

Designated Intermediaries

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs or the SBA Process is provided at the website of the SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes .On allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.

Statement of Inter-se Allocation of Responsibilities

Mark Corporate Advisors Private Limited is the sole Lead Manager to the Issue and it shall perform all the responsibilities pertaining to coordination and other activities in relation to the Issue, as detailed below:

Sr. No.	Responsibility of Lead Manager
1.	Capital structuring with the relative components and formalities such type of instrument, number of instruments to be issued, etc.
2.	Coordination for drafting and design of the Letter of Offer, Abridged Letter of Offer, Application Form and Rights Entitlement Letter as per the SEBI ICDR Regulations, SEBI LODR Regulations and other stipulated requirements and completion of prescribed formalities with the Stock Exchanges and SEBI.
3.	Selection of various agencies connected with Issue, such as Registrars to the Issue, Escrow Bank, Monitoring Agency, Printers and Advertising agencies and coordination of execution of related agreements
4.	Liaisoning with Stock Exchanges for obtaining in-principle approval and completion of prescribed formalities with the Stock Exchanges and SEBI
5.	Drafting and approval of all statutory advertisements
6.	Drafting and approval of all publicity material including corporate advertisement, brochure, corporate films, etc.
7.	Drafting and design of Roadshow presentation
8.	Formulating & Coordination of marketing strategy
9.	Non-Institutional and Retail Marketing of the Offer, which will cover, inter alia: • Formulating marketing strategies; • Finalising collection centres; and Follow-up on distribution of publicity and Offer material including application form, LoF.
10.	Co-ordination with stock exchanges and formalities for use of online software, bidding terminal, mock trading, etc.
11.	Post-issue activities, which shall involve essential follow-up steps including follow-up with bankers to the issue and Self Certified Syndicate Banks to get quick estimates of collection and advising the Bank about the closure of the issue, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as registrars to the issue, bankers to the issue, Self-Certified Syndicate Banks, etc. and coordination of underwriting arrangement, if any.

Credit Rating

This is an issue of Equity Shares; credit rating is, therefore, not required.

Debenture Trustees

This is an issue of Equity Shares; the appointment of Debenture trustees is, therefore, not required.

Monitoring Agency

Our Company has appointed India Ratings & Research Private Limited ("India Ratings") as the Monitoring Agency for the Issue, in accordance with Regulation 82 of the SEBI ICDR Regulations. The details of the Monitoring Agency are as follows:

India Ratings & Research Private Limited *(formerly known as Fitch Ratings India Private. Limited)*

Address: Wockhardt Towers, Level 4, West Wing,
Bandra Kurla Complex, Bandra (East), Mumbai 400 051
Telephone No: +91 22 4000 1700
Email ID: allwyn.chettiar@indiaratings.co.in
Website: www.indiaratings.co.in
Contact Person: Allwyn Chettiar
Contact No.: +91-98922 45474
SEBI Registration Number: IN/CRA/002/1999
CIN: U67100MH1995FTC140049

Underwriting

The Issue is not underwritten, and our Company has not entered into any underwriting agreement

Issue Schedule

Last Date for credit of Rights Entitlements	Friday, May 02, 2025
Issue Opening Date	Thursday, May 15, 2025
Last date for On-Market Renunciation of Rights Entitlements#	Tuesday, May 27, 2025
Issue Closing Date*	Friday, May 30, 2025
Finalization of Basis of Allotment (on or about)	Monday, June 09, 2025
Date of Allotment (on or about)	Tuesday, June 10, 2025
Date of credit (on or about)	Thursday, June 12, 2025
Date of listing (on or about)	Friday, June 20, 2025

#Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

**Our Board, or Securities Issue committee, will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date have not provided details of their demat accounts to our Company or to the Registrar, they must provide their valid and correct demat account details to our Company or the Registrar no later than two working days prior to the Issue Closing Date, i.e., Wednesday, May 28, 2025 to enable credit of the Rights Entitlements to their respective demat accounts by transfer from the demat suspense escrow account, which will happen one day prior to the Issue Closing Date, i.e., Thursday, May 29, 2025**.** Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e. https://www.bigshareonline.com/). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Investors are advised to ensure that the Application Forms duly complete in all respect and duly signed as per signature recorded with the Company or the Registrar on or before the Issue Closing Date. Our Company, the Lead Manager, or the Registrar will not be liable for any loss on account of non-submission of Application Forms on or before the Issue Closing Date. It is encouraged that the Application Forms are submitted well in advance before the Issue Closing Date. For details on submitting Application Forms, please refer to "***Terms of the Issue - Procedure for Application***" beginning on page 373 of this Letter of Offer.

The details of the Rights Entitlements with respect to each Eligible Equity Shareholder may be accessed by such respective Eligible Equity Shareholders on the website of the Registrar at www.bigshareonline.com after keying in their respective details along with other security control measures implemented thereat. For further details, please refer to "***Terms of the Issue - Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders***" beginning on page 376 of this Letter of Offer.

Please note that if no valid Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before the Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. If a renouncee or purchaser of a Rights Entitlements does not apply for the Rights Equity Shares on or before the Issue Closing Date, such Rights Entitlement shall lapse and shall be extinguished after the Issue Closing Date, even if the renouncee or purchaser of a the Rights Entitlement has paid money to acquire the Rights Entitlements. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from the market and the purchaser will lose the premium/amount paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an application to apply for Rights Equity Shares offered under the Issue for subscribing to the Rights Equity Shares offered under the Issue.

Minimum Subscription

The Promoter and Promoter Group have intended to subscribe their rights entitlement in part or full in the proposed Rights Issue, however they have yet not finalized the extent of their participation. They may renounce a part of their Rights Entitlement in the favor of third parties, which our Promoters and Promoter Group may identify in due course or may renounce/sell part of their Rights Entitlement in the open market. Further, the object of the Issue involves financing of capital expenditure. Therefore, the minimum subscription criteria (of at least 90% of the Issue) as provided in regulation 86(1) of the SEBI ICDR Regulations is applicable to this Issue. Pursuant to regulation 86(2) of the SEBI ICDR Regulations in case of non-receipt of minimum subscription, all application monies received shall be refunded to the applicants forthwith, but not later than four days from the closure of the Rights Issue.

For further details, please see, "***Objects of the Issue***" on page 76.

Appraising Entity

The objects of this Issue have not been appraised by any bank or any other independent financial institution or any other independent agency.

Filing

The Letter of Offer is being filed with the Stock Exchanges as per the provisions of the SEBI ICDR Regulations. Our Company will simultaneously do an online filing of the Letter of Offer through Lead Manager with SEBI through the SEBI Intermediary Portal at https://sipotal.sebi.gov.in, in accordance with SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018 and through email at cfddil@sebi.gov.in, in accordance with the instructions issued by SEBI on March 27, 2020, in relation to '*Easing of Operational Procedure – Division of Issues and Listing – CFD*'.

CAPITAL STRUCTURE

The share capital of our Company, as at the date of this Letter of Offer, and details of the Rights Equity Shares proposed to be issued in the Issue, and the issued, subscribed and paid-up share capital after the Issue, are set forth below:

(in ₹, except shares data)

		Aggregate value at Face Value	Aggregate value at Issue Price
A	**AUTHORISED SHARE CAPITAL**		
	200,00,00,000 Equity Shares of face value of ₹1 each	200,00,00,000	-
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE**		
	1,16,55,10,466 Equity Shares of face value of ₹1 each	1,16,55,10,466	-
C	**PRESENT ISSUE IN TERMS OF THIS LETTER OF OFFER** [(1)]		
	Up to 30,85,17,476 Rights Equity Shares of Face Value of ₹1 each, at a premium of ₹ 31 per Rights Equity Share of face value of ₹1 each, i.e., at a price of ₹ 32 per Rights Equity Share of face value of ₹1 each [(2)]	30,85,17,476	9,87,25,59,232
D	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE** [(3)]		
	Issued Share Capital		
	1,47,40,27,942 Equity Shares of face value of ₹1 each, fully paid up [(1)]	1,47,40,27,942	NA
	Subscribed and Paid Up Share Capital		
	1,16,55,10,466 Equity Shares of ₹1 each, fully paid up	1,16,55,10,466	NA
	30,85,17,476 Rights Equity Shares of ₹ 0.50 each, partly paid up [(3)]	15,42,58,738	NA
E	**SECURITIES PREMIUM ACCOUNT**		*(₹ in Lakhs)*
	Before the Issue		**31,557.14**
	After the Issue i.e. After the calls are made in respect of Rights Equity Shares [(4)]		1,27,197.56

[(1)] The Issue has been authorised by our Board pursuant *to a resolution dated July 30, 2024. The terms of the Issue, including the Record Date and Rights Entitlement Ratio, have been approved by a resolution passed by our Board / Securities Issue Committee at their meeting held on April 17, 2025.*

[(2)] On Application, Investors will have to pay ₹ 16 per Rights Equity Share which constitutes 50% of the Issue Price and the balance ₹ 16 per Rights Equity Share which constitutes 50 % of the Issue Price, will have to be paid, in not more than two Call(s), as determined from time to time, at its sole discretion, by our Board or Securities Issue Committee.

[(3)] Assuming full subscription for and Allotment of the Rights Equity Shares. Not more than two Calls with terms and conditions such as the number of Calls and the timing and quantum of each Call as may be decided by the Board/Securities Issue Committee from time to time

[(4)] Assuming full subscription and receipt of all Call Monies with respect to Rights Equity Shares, and Allotment of, the Equity Shares. Subject to finalisation of Basis of Allotment, Allotment and deduction of Issue related expenses.

Notes to the Capital Structure

1. Intention and extent of participation by our Promoters and Promoter Group in the Issue:

The Promoter and Promoter Group have intended to subscribe their rights entitlement in part or full in the proposed Rights Issue, however they have yet not finalized the extent of their participation. They may renounce a part of their Rights Entitlement in the favor of third parties, which our Promoters and Promoter Group may identify in due course or may renounce/sell part of their Rights Entitlement in the open market. Therefore, the minimum subscription criteria (of at least 90% of the Issue) as provided in regulation 86(1) of the SEBI ICDR Regulations is applicable to this Issue. Pursuant to regulation 86(2) of the SEBI ICDR Regulations in case of non-receipt of minimum subscription, all application monies received shall be refunded to the applicants forthwith, but not later than four days from the closure of the Rights Issue.

2. The ex-rights price of the Equity Shares offered pursuant to this Issue and in compliance with the valuation formula set out in Regulation 10(4)(b)(ii) of the Takeover Regulations is ₹ 58.42 per Fully Paid-up Equity Share.

3. **Shareholding Pattern of our Company as per the last filing with the Stock Exchange, in compliance with the provisions of the SEBI LODR Regulations:**

(i) The shareholding pattern of our Company, as on January 24, 2025, may be accessed on the website of the BSE at https://www.bseindia.com/stock-share-price/lloyds-engineering-works-ltd/lloydsengg/539992/shareholding-pattern/ and the NSE at https://www.nseindia.com/get-quotes/equity?symbol=LLOYDSENGG

(ii) A statement as on January 24, 2025 showing holding of Equity Shares of persons belonging to the category of "Promoter and Promoter Group", including details of lock-in, pledge and encumbrance thereon, may be accessed on the website of the BSE at https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=539992&qtrid=124.03&QtrName=24-Jan-25 and the NSE at https://www.nseindia.com/get-quotes/equity?symbol=LLOYDSENGG

(iii) A statement as on January 24, 2025, showing holding of securities (including Equity Shares, warrants, convertible securities) of persons belonging to the category "Public", including equity shareholders holding more than 1% of the total number of Equity Shares, as well as details of shares which remain unclaimed may be accessed on the website of the BSE at https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=539992&qtrid=124.03&QtrName=24-Jan-25 and the NSE at https://www.nseindia.com/get-quotes/equity?symbol=LLOYDSENGG

Shareholding Pattern as on January 24, 2025

CATEGORY OF SHAREHOLDERS	NO. OF SHARES HELD	% OF SHAREHOLDING
Promoters and Promoters Group (A)		
Mukesh R Gupta	50,514	Negligible
Renu R Gupta	14,249	Negligible
Abha M Gupta	7,956	Negligible
Rajesh R Gupta	44,222	Negligible
Ravi Agarwal	58,471	0.01
Lloyds Enterprises Limited	48,04,12,901	41.22
Lloyds Metals and Minerals Trading LLP	8,73,52,941	7.49
AEON TRADING LLP	8,73,52,941	7.49
TOTAL (A)	**65,52,94,195**	**56.22**
Public (B)		
Directors and their relatives (excluding independent directors and nominee directors)	1,496	Negligible
Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	1,07,176	0.01
Resident Individuals holding nominal share capital up to Rs. 2 lakhs	28,29,19,680	24.27
Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	11,49,89,401	9.87
Bodies Corporate	2,00,80,194	1.72
Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'	6,950	Negligible
Non-Resident Indian	88,53,704	0.76
Unclaimed or Suspense or Escrow Account	3,077	Negligible
Trusts	70,155	0.01
HUF	3,65,06,112	3.13
Banks	1,58,120	0.01

CATEGORY OF SHAREHOLDERS	NO. OF SHARES HELD	% OF SHAREHOLDING
Mutual Fund	16,50,285	0.14
Alternate Investment Funds	1,53,449	0.01
State Government	136	Negligible
Foreign Portfolio Investor (Category 1)	3,27,86,488	2.81
Foreign Portfolio Investor (Category 2)	60,27,421	0.52
Any Other (Institutions Foreign)	18,156	Negligible
Employees	1,972	Negligible
Clearing Members	25,54,559	0.22
Total (B)	**50,68,88,531**	**43.49**
Shares held by Employee Trusts (C)	**33,27,740**	**0.29**
TOTAL (A+B+C)	**1,16,55,10,466**	**100.00**

4. Details of shares locked-in, pledged, encumbrance by Promoters and Promoter Group:

The details of shares locked-in, pledged and encumbered by the Promoters and Promoter Group may be accessed on the website of the BSE at https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=539992&qtrid=124.03&QtrName=24-Jan-25 and the NSE at https://www.nseindia.com/get-quotes/equity?symbol=LLOYDSENGG

5. Our Company shall ensure that any transaction in the Equity Shares by the Promoters and the Promoter Group during the period between the date of filing this Letter of Offer and the date of closure of the Issue shall be reported to the Stock Exchange within 24 hours of such transaction.

6. At any given time, there shall be only one denomination of the Equity Shares of our Company.

7. Details of specified securities acquired/sold by our Promoters and Promoter Group in the last one year immediately preceding the date of filing of the Letter of Offer

Sr. No.	Name	Number of Equity Shares acquired/sold	Number of Equity Shares sold	Date of Allotment/ Acquisition/ Disposal	Nature of Transaction
1.	Mukesh R Gupta – Promoter	417	-	18.01.2024	Acquired shares through Rights Issue
		43,002	-	10.05.2024	Shares acquired/received in the form of gift from Rajesh R Gupta
2.	Abha M Gupta - Promoter	442	-	18.01.2024	Acquired shares through Rights Issue
3.	Renu R Gupta - Promoter	4,040	-	18.01.2024	Acquired shares through Rights Issue
		-	58,471	15.05.2024	Sold shares in Open Market
4.	Rajesh R Gupta - Promoter	3,614	-	18.01.2024	Acquired shares through Rights Entitlement
		22,172	-	07.02.2024	Received via Transmission of Shares of Chitralekha Gupta
		-	43,002	10.05.2024	Shares transferred in

Sr. No.	Name	Number of Equity Shares acquired/sold	Number of Equity Shares sold	Date of Allotment/ Acquisition/ Disposal	Nature of Transaction
					the form of gift to Mukesh R Gupta
5.	Lloyds Metals and Minerals Trading LLP- Promoters Group	48,52,941	-	18.01.2024	Acquired shares through Rights Entitlement
6.	Ravi Agarwal - Promoters Group	58,471	-	15.05.2024	Shares Acquired from Open Market
7.	Lloyds Enterprise Limited - Promoter	96,86,386	-	28.12.2023	Received from Ragini due to release of pledge of shares
		5,75,716	-	18.01.2024	Acquired shares through Rights Entitlement
8.	Aeon Trading LLP - Promoters Group	48,52,941	-	18.01.2024	Acquired shares through Rights Entitlement

8. The Lead Manager confirms that the issuer company is in compliance with the Companies Act, 2013 with respect to issuance of securities till the date of filing of the letter of offer.

9. Details of outstanding securities of our Company

Except what is stated below, as on date of this Letter of Offer, there are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Letter of Offer.

Except for the issue of any Equity Shares or options/units pursuant to LLOYDS STEELS ESOP-2021, there will be no further issue of Equity Shares whether by way of a public issue, qualified institutions placement, issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Letter of Offer with SEBI and Stock Exchanges until the Equity Shares have been listed on the Stock Exchanges, or all application monies have been refunded, as the case may be.

The details of grants, exercise and lapse of units under LLOYDS STEELS ESOP-2021, as on the date of this Letter of Offer are as follows:

Particulars	LLOYDS STEELS ESOP-2021
Options granted	1,49,31,908
Options vested	55,61,840
Options exercised	47,32,702
Options forfeited / lapsed	12,82,690
Total number of Unvested Options in force	80,87,378
Total number of Exercisable Options in force	8,29,138
Money realized by exercise of Options (in ₹)	3,66,28,049

Further, the Rights Equity Shares allotted pursuant to the Rights Issue, shall be partly paid up and the right to call up the remaining paid-up capital in not more than two Calls, with terms and conditions such as the number of Calls and the timing and quantum of each Call as may be decided by our Board/ Securities Issue Committee from time to time.

LM confirms that allottees under the ESOP scheme are employees only. Further LM confirms that all grant options under the disclosed scheme are in compliance with Companies Act, 2013

For further details on the terms of the Issue, please see the section entitled "***Terms of the Issue***" on page 362.

OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds from this Issue towards the following objects:

(A) For our Company:

1. Funding the capital expenditure towards replacement of Industrial Shed's Wall & Roof Sheeting, Repair, Restoration and Strengthen of entire Structure, at existing workshops at Murbad, Thane, Maharashtra;
2. Funding the acquisition of the Engineering Assets of Bhilai Engineering Corporation Limited, Bhilai and overhauling and refurbishment of the machineries thereof;
3. Funding the working capital requirements of our Company;
4. Investment in the equity shares of Techno Industries Private Limited (second tranche); and
5. Funding of unidentified acquisition and General Corporate Purposes.

(B) For Techno Industries Private Limited, our Material Subsidiary:

1. Funding the acquisition of leasehold rights of the land as well as shed thereon of the existing factory, situated at Plot No. 5002, Phase IV, GIDC, Vatva, Ahmedabad, Gujarat;
2. Funding the capital expenditure requirements towards purchase of machineries at existing factory situated at Plot No. 5002 and Plot No. 505, Phase IV, GIDC, Vatva, Ahmedabad, Gujarat; and
3. Funding the working capital requirements.

The main objects and the objects incidental and ancillary to the main objects of our MOA and the Material Subsidiary's MOA, enable our Company and the Material Subsidiary, to undertake the activities for which the funds are being raised through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our MOA.

Issue Proceeds

The details of the Issue Proceeds are set forth in the table below:

(₹ in lakhs)

Particulars	Amount
Gross Proceeds from this Issue^	Up to 98,725.59
Less: Estimated Issue related expenses	2,198.06
Net Proceeds	**96,527.53**

^ Assuming full subscription in the Issue, receipt of all Call Monies with respect to the Rights Equity Shares, and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio. The amount utilised for funding of unidentified acquisition and general corporate purposes shall not individually exceed 25% of the Gross Proceeds and will not collectively exceed 35% of the Gross Proceeds.

Requirement of Funds and utilization of Net Proceeds

The proposed utilization of the Net Proceeds is set forth in the following table,

(₹ in lakhs)

Particulars	Amount**
(A) Our Company:	
1. Funding the capital expenditure towards replacement of Industrial Shed's Wall & Roof Sheeting, Repair, Restoration and Strengthen of entire Structure, at existing workshops at Murbad, Thane, Maharashtra	3,906.15
2. Funding of acquisition of the Engineering Assets of Bhilai Engineering Corporation Limited and overhauling and refurbishment of the machineries thereof	13,400.00
3. Funding the working capital requirements of our Company	33,653.00
4. Investment in the equity shares of Techno Industries Private Limited (second tranche)	2,500.00
5. Funding of unidentified acquisition and General Corporate Purposes*	34,431.45
(B) Techno Industries Private Limited:	
1. Funding the acquisition of leasehold rights of the land as well as shed thereon	2,000.00

Particulars	Amount**
of the existing factory, situated at Plot No. 5002, Phase IV, GIDC, Vatva, Ahmedabad, Gujarat;	
2. Funding the capital expenditure requirements towards purchase of machineries at existing factories situated at Plot No. 5002 and Plot No. 505, Phase IV, GIDC, Vatva, Ahmedabad	3,296.93
3. Funding the working capital requirements	3,340.00
Total Net Proceeds **	**96,527.53**

** Subject to adjustment upon finalization of Issue related expenses and finalization of the Basis of Allotment . The amount utilised for funding of unidentified acquisition and general corporate purposes shall not individually exceed 25% of the Gross Proceeds and will not collectively exceed 35% of the Gross Proceeds.*

*** assuming full subscription in the Issue, receipt of all Call Monies with respect to the Rights Equity Shares. Subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.*

There are no existing or anticipated transactions in relation to utilization of Net Proceeds with our Promoters, Directors, Key Managerial Personnel, Senior Managerial Personnel, or associate companies (as defined under Companies Act, 2013).

Means of Finance

The funding requirements mentioned above are based on our Company's and our Material Subsidiary's internal management estimates, and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Consequently, our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our management, and may also be subject to timing of making calls in the future, as determined by our Board and/or the Securities Issue Committee at its sole discretion, subject to applicable laws. Our Board or Securities Issue Committee may determine the date on which the Calls shall be made and if no such date is determined then the Calls shall be deemed to have been made at the time when the resolution authorizing such Calls are passed at the meeting of our Board or Securities Issue Committee, as the case may be. The Calls may be revoked or postponed at the discretion of our Board or Securities Issue Committee.

Our Board or Securities Issue Committee may make not more than two Calls, with terms and conditions such as the number of Calls and the timing and quantum of each Call as may be decided by our Board/ Securities Issue Committee from time to time to be completed on or before March 31, 2026. In case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals, General Corporate Purposes and seeking additional debt from lenders We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue, as may be determined by our Company, in accordance with applicable law Our Company may also utilise any portion of the Net Proceeds, towards the aforementioned Objects of the Issue, ahead of the estimated schedule of deployment as mentioned as may be determined by our Company, in accordance with applicable law.

The fund requirements set out above are proposed to be entirely funded from the Net Proceeds. Accordingly, as per Regulation 62(1)(c) of the SEBI ICDR Regulations, our Company is not required to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue.

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(₹ in Lakhs)

Particulars	Amount to be funded from the Net Proceeds	Amount to be deployed from the Net Proceeds in Fiscal 2026
		From Application and through subsequent calls
For our Company		
1. Funding the capital expenditure towards replacement of Industrial Shed's Wall & Roof Sheeting, Repair, Restoration and Strengthen of entire Structure, at existing workshops at Murbad, Thane, Maharashtra	3,906.15	3,906.15
2. Funding of acquisition of the Engineering Assets of Bhilai Engineering Corporation Limited and overhauling and refurbishment of the machineries thereof	13,400.00	13,400.00
3. Funding the working capital requirements of our Company	33,653.00	33,653.00
4. Investment in the equity shares of Techno Industries Private Limited (second tranche)	2,500.00	2500.00
5. Funding of unidentified acquisition and General Corporate Purposes*	34,431.45	34,431.45
For Techno Industries Private Limited		
1. Funding the acquisition of leasehold rights of the land as well as shed thereon of the existing factory, situated at Plot No. 5002, Phase IV, GIDC, Vatva, Ahmedabad, Gujarat;	2,000.00	2000.00
2. Funding the capital expenditure requirements towards purchase of machineries at existing factories situated at Plot No. 5002 and Plot No. 505, Phase IV, GIDC, Vatva, Ahmedabad, Gujarat	3,296.93	3,296.93
3. Funding the working capital requirements	3,340.00	3,340.00
Total Net Proceeds#	**96,527.53**	**96,527.53**

** The amount utilised for funding of unidentified acquisition and general corporate purposes shall not individually exceed 25% of the Gross Proceeds and will not collectively exceed 35% of the Gross Proceeds*

#Assuming full subscription in the Issue, receipt of all Call Monies with respect to the Rights Equity Shares, and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio

The fund requirements, proposed deployment of funds and the intended use of the Net Proceeds set out above is based on the current business plan, internal management estimates, valid quotations received from third parties, current circumstances of our business, prevailing market conditions and other commercial considerations, of our Company and our Material Subsidiary. However, these fund requirements and proposed deployment of Net Proceeds have not been appraised by any bank or financial institution. We may have to revise our funding requirement on account of various factors, such as financial and market conditions, delay in procuring and operationalizing assets, competition, price fluctuations, interest rate fluctuations and other external factors, which may not be within the control of our management. This may also entail rescheduling of the proposed deployment of the Net Proceeds at the discretion of our management, subject to approval by the Audit Committee and/or compliance with applicable laws. Further, in the event, the Net Proceeds are not utilized (in full or in part) for the Objects of the Issue during the period stated above due to any reason, including (i) the timing of completion of the Issue; (ii) market conditions outside the control of our Company; (iii) any other economic, business and commercial considerations; and (iv) any delay in payment and/or non-receipt of Call Monies, the remaining Net Proceeds shall be utilized in subsequent Fiscal years, shall be subject to shareholders approvals, and in accordance with applicable laws. This may also entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to the approval by the Audit Committee and/or compliance with applicable laws. For details, see "*Risk Factors – Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by a financial institution or a bank or any other independent agency and are based on management estimates*." on page 50.

Subject to compliance with applicable laws, if the actual utilisation towards any of the Objects, as set out above, is lower than the proposed deployment, such balance will be used towards any other Objects, excluding General Corporate Purposes.

Details of the Objects

The details of the Objects of the Issue are set out below:

A. For our Company:

1. Funding the capital expenditure towards replacement of Industrial Shed's Wall & Roof Sheeting, Repair, Restoration and Strengthen of entire Structure, at existing workshops at Murbad, Thane, Maharashtra.

The Industrial Sheds in consideration are our existing workshops located on Plot No. A5/5, A6/3 and K3 respectively at Murbad, Thane, Maharashtra. These industrial sheds were constructed around 25 to 30 years back and now require repairs, restoration and strengthen as the structure constructed with Structural Steel member has deteriorated and possess inadequate strength to take care of intended operational load. At various places there is extensive scaling in structural steel member which will have to be replaced / treated & strengthen. After Strengthening of Structure, our company would be able to take orders with more heavyweight jobs as presently the structure is weak and old for more than two decades. Due to erosion of structure and safety reasons, the company is not bidding for heavy weight jobs. Further, the intent of strengthening is also to take care of intended additional load of solar panel for saving in energy cost and complying to green environment.

The structural audit has been carried out by Ram V. Marathe, proprietor of Prapti Associates, Civil cum Chartered Engineer, who is in no way related / connected to our promoters, promoter group, KMPs and/or their relatives, recommending our company to undertake structural rehabilitation on an immediate basis.

The roofing, cladding and flashing sheets have rusted and there are leakages in the shed which is affecting the operations at the production levels due to idleness and delay in jobs and hence this needs to be replaced on priority before next monsoon.

The total estimated cost for this Object is ₹ 3,906.15 Lakhs. Our Company proposes to utilise up to ₹ 3,906.15 Lakhs for the sourcing of Pre-Coated Corrugated Galvanized Sheets, Hot Rolled Plate & Structural section, Cold Rolled sections & Bracing Material, Hot Rolled Bolts, Cold formed Panel Pre-Galvanized, Sag Rod, consumables etc including fabrication, erection and labour costs.

The break-up of the same is set forth as below:

Workshop Location	Scope of Work	Unit	Total estimated costs (₹ In Lakhs) *
A 6/3 MIDC Industrial Area, P.O. Murbad, Thane 421401, Maharashtra	Roof Replacement (in sqm)	2,770	703.60
	Cladding Replacement (in sqm)	2,590	
	Flashing Replacement (in sqm)	530	
	Structure Strengthening (mt.)	50	
A 5/5 MIDC Industrial Area, P.O. Murbad, Thane 421401, Maharashtra	Roof Replacement (in sqm)	5,870	1,333.70
	Cladding Replacement (in sqm)	4,050	
	Flashing Replacement (in sqm)	650	
	Structure Strengthening (mt.)	120	
Plot No. K3, Additional MIDC Industrial Area, Kudavali Village, P.O. Murbad, Thane 421401, Maharashtra	Roof Replacement (in sqm)	6,430	1,273.00
	Cladding Replacement (in sqm)	2,870	
	Flashing Replacement (in sqm)	800	
	Structure Strengthening (mt.)	120	
GST @ 18% on Above			595.85
Total estimated costs			**3,906.15**

Scope	Description of the Work
Roof Replacement	Dismantling of Existing Roofing Sheet, Screws, Secondary Accessories, Stacking, Storage, Supply of New Roofing Material as per Specifications with Required Accessories and making it Leak-Proof upon handover
Cladding Replacement	Dismantling of Existing Wall Cladding Sheet, Screws, Secondary Accessories, Stacking, Storage, Supply of New Wall Cladding Material as per Specifications with Required Accessories and making it Leak-Proof upon handover
Flashing Replacement	Dismantling of Existing Flashing Sheet, Screws, Secondary Accessories, Stacking, Storage, Supply of New Flashing Material as per Specifications with Required Accessories and making it Leak-Proof upon handover

Scope	Description of the Work
Structure Strengthening	Design, Cutting, Welding, Grinding, Painting of Existing Structure for Strengthening Work as per the Instructions and Drawings as approved by the Structural Engineer by supplying and fixing material as per specifications required to make the structure durable and safe for future use.

**Total cost as per the estimates received from Ameya PEB Private Limited, having registered office at No 22, 4th Floor, Royal Towers, Vimannagar, Pune, Maharashtra – 411 014 vide their quotation number APPL/1946 dated October 25, 2024.*

The vendor (i.e. Ameya PEB Private Limited) is in no way related / connected to promoters, promoter group directors, and/or KMPs of our Company. Quotations received from the vendor mentioned above are valid till June 30, 2025. We have not entered into any definitive agreement with the vendor as on the date of this Letter of Offer and there can be no assurance that the same vendor would be engaged to carry out the replacement of the industrial shed roof at the same costs. We may be required to obtain fresh quotations at the time of carrying out such replacement of the industrial shed roof. The actual cost would, thus, depend on the prices finally settled with the vendor and, to that extent, may vary from the above estimates. Additional costs incurred, if any, shall be funded from the Net Proceeds proposed to be utilised towards general corporate purposes or through internal accruals. No second-hand or used industrial shed materials are proposed to be purchased out of the Net Proceeds.

2. Funding of acquisition of the Engineering Assets of Bhilai Engineering Corporation Limited and overhauling and refurbishment of the machineries thereof.

The Board of Directors of LEWL on October 10, 2024, passed the resolution for acquisition of the Assets of the Engineering Division of Bhilai Engineering Corporation Limited ("**BECL/Seller**"), located at Khasra No. 114/1, 114/2, 114/3 and 114 in Hathkhoj Village, Industrial Area, Bhilai, Durg, Chhattisgarh – 490 026.

It has been agreed via a Memorandum of Understanding dated October 10, 2024, between the parties that the LEWL ("**Purchaser**") will acquire the assets from the Seller, i.e., rights to the Leased land, Buildings, Machineries and other structures of its Engineering Division.

The machineries set to be acquired by LEWL are in old and corroded condition, therefore are offered to our Company at lower than the Market Value. LEWL is undertaking the Overhauling and Refurbishment of such machineries including Welding Machines and Cranes/ Trailors for restoring operational status and implementing enhancements. Our acquisition of Engineering Assets of Bhilai Engineering Corporation Limited is aimed at increasing our manufacturing capabilities and efficiency in order to serve expanded geographical area.

Thus, the total cost of such acquisition can be split as below:

Sr. No.	Particulars	Amount (₹ in Lakhs)
a.	Acquisition of the Assets	7,500.00
b.	Taxes/Duties Levied on acquisition of the Assets	1,180.00
c.	Overhauling and refurbishment of the Machineries including Welding Machines and Cranes/ Trailors (*inclusive of taxes*)	4,720.00
Total		**13,400.00**

a) Acquisition of Assets

The total consideration for the acquisition of the Engineering Assets to be paid by LEWL to the Seller is ₹ 7,500.00 Lakhs, exclusive of all taxes/duties levied on acquisition of the assets, based on the Valuation Report dated October 09, 2024 issued by Ameet Pai Kakode, Director of Kakode Associates Consulting Private Limited, Mumbai (Chartered Engineer and Registered Valuer). Ameet Pai Kakode and Kakode Associates Consulting Private Limited are in no way related / connected to our promoters, promoter group, KMPs and/or their relatives. The details of specific assets are as under:

(₹ in Lakhs)

Sr. No.	Particulars	Area	Amount
1.	Leased Land	~ 16 acres	1,824.00
2.	Building and Shed including Site Development	~ 30,565.63 sq. mtrs	2,076.00
3.	Machineries including Welding Machines and Cranes/ Trailors. *(For Details refer 2(c) below)*	-	3,600.00
	Total		**7,500.00**

The total consideration for the acquisition of the Engineering Assets to be paid by LEWL to the Seller is ₹ 7,500.00 Lakhs, exclusive of all taxes/duties levied on acquisition of the assets. Out of ₹7,500.00 Lakhs, an amount of ₹375.00 Lakhs (5% of the consideration) has already been paid as Earnest Money Deposit. An amount of 375.00 Lakhs which is already paid will be recouped from the net proceeds of Rights Issue.

b) Taxes/Duties levied

Other costs including Government taxes, GST and Stamp Duty shall be payable by LEWL from the issue proceeds, based on management estimates, are as listed below:

Sr. No.	Taxes/Duties Levied	Amount (₹ in Lakhs)
1.	Transfer Fees for transfer of Leased Land	250.00
2.	Stamp duty on Leased Land and Building and Shed	210.00
3.	GST on Plant and Machinery @18%	720.00
Total		**1,180.00**

Currently, Bhilai Engineering has all the licenses it needs to operate its Engineering division. These licenses include:

- License to work a Factory
- Power connection from Chhattisgarh State Power Distribution Company Limited
- GST Registration
- Consents for Air and Water under the Chhattisgarh Environment Conservation Board

Pursuant to acquisition and transfer of the assets of the Engineering division of Bhilai Engineering, our Company will make an application to the relevant authorities to transfer such licenses from Bhilai Engineering to the name of our Company. Our Company, therefore, need not obtain any fresh licenses or regulatory approvals to operate the Engineering division of Bhilai engineering.

c) Overhauling and refurbishment of the machineries

Most of the machineries are old, corroded and obsolete. These are installed machineries, which were used, but not well-maintained and are in poor condition. No major maintenance or refurbishment activities have been undertaken. As a result, our company shall overhaul and refurbish the machineries to restore them for operating purposes, which in turn will increase the manufacturing capabilities and efficiencies of these machineries..

Once the machineries are restored and refurbished, the Engineering Division will afford substantial benefit to the Issuer Company, in as much as the products of the Engineering Division will complement with that of the Issuer Company, thereby increasing the manufacturing capabilities and efficiency in order to serve expanded geographical area.

The cost associated with the overhauling and refurbishment of the machineries is set out as below:

(₹ in Lakhs)

Sr. No.	Particulars of Machines	Quantity	Estimated Refurbishment cost	Quotation received from	Date of Quotation	Validity of quotation
1.	Plano Miller	3	216	Metalfab Hightech Private	October 13, 2024	September 30, 2025
2.	Milling Machine	4	224			

Sr. No.	Particulars of Machines	Quantity	Estimated Refurbishment cost	Quotation received from	Date of Quotation	Validity of quotation
3.	Boring Machine	9	552	Limited; E-21-25 & 33 B/2, MIDC Industrial Area, Hingna Road, Nagpur-440 028;		
4.	Vertical Lathe	1	70			
5.	Lathe Machine	9	301			
6.	Radial Drill	10	364			
7.	Slotter Machine	1	35			
8.	Bend Saw	1	10			
9.	Shapper Machine	1	8			
10.	CNC Press Break	1	14			
11.	Plate Bending – 1	1	75			
12.	Pipe bending -1	1	33			
13.	CMM	1	58			
14.	Tapping	1	10			
15.	Shearing Cutter	1	13			
16.	Simplicity Furnace	1	43			
17.	Plate Bending-02	1	75			
18.	Hydraulic Press	3	190			
19.	Robotic Welding	1	115			
20.	CNC Profile Cutting	1	29			
21.	D.G. set	1	30			
22.	Screw Compressor	6	202			
23.	Rotator100T	1	10			
24.	Rotator30T	2	35			
25.	Grinder	1	20			
26.	Drill Machine	1	31			
27.	Zoller Tool Pre setter	1	20			
28.	Shot Blasting	1	25			
29.	EOT Crane 5 T (M/c Shop)	2	10			
30.	EOT Crane 10 T (H/Eqp.)	1	10			
31.	EOT Crane 15 T (H/Eqp.)	1	15			
32.	EOT Crane 30/8 T (Skoda)	1	30			
33.	EOT Crane 50/10 (Unit 1)	1	50			
34.	EOT Crane 10 T (Unit 1)	1	10			
35.	EOT Crane 5 T (Unit 3)	2	10			
36.	EOT Crane 20 T (Robotic)	1	20			
37.	EOT Crane 10 T (Robotic)	1	10			
38.	EOT Crane 20 T (Railway)	2	40			
39.	EOT Crane 5 T (H/Eqp.)	1	5			
40.	EOT Crane 5 T (PPM ROOM)	1	5			
41.	G CRANE 4 T (M/c Shop)	1	5			
42.	G CRANE 5 T (M/c Lento)	2	10			
43.	G CRANE 15 T (steel cutting)	1	15			
44.	G CRANE 63/10 T	2	130			

Sr. No.	Particulars of Machines	Quantity	Estimated Refurbishment cost	Quotation received from	Date of Quotation	Validity of quotation
45.	G CRANE 15 T (Steel Yard)	1	15			
46.	G CRANE 20 T (Steel Yard)	1	20			
47.	SR Furnance (diesel fired)	1	15			
48.	Marking Table & Granite Plate	1	15			
49.	Machine Tools & Tackles	1	20			
50.	Painting Boot	1	25			
Total (A)		**93**	**3,293**			
51.	Rectifier welding machine	80	51.3			
52.	Mig(co2) welding machine	58	111			
53.	Tig welding machine	10	13.3			
54.	Plasma cutting machine	4	7.2			
55.	Saw welding machine	6	97.2			
Total (B)		**158**	**280**			
56.	Cranes/ Trailors	16	427			
Total (C)		**16**	**427**			
Sub-Total D = (A+B+C)		**267**	**4,000**			
GST at 18% on Grand Total (E)			**720**			
Grand Total (D+E)			**4,720**			

In Fiscal 2026, our Company will acquire the assets of engineering division from Bhilai Engineering and deploy ₹ 13,400 Lakhs from the Issue Proceeds for the acquisition of assets and advance payment towards overhauling and refurbishment of machineries of the Engineering Division.

The vendor (i.e. Metalfab Hightech Private Limited) is in no way related / connected to the promoters, promoter group, directors and/or KMPs of our Company. Quotations received from the vendor mentioned above are valid as on the date of this Letter of Offer. We have not entered into any definitive agreement with the vendor as on the date of this Letter of Offer and there can be no assurance that the same vendor would be engaged to carry out overhauling of the machinery at the same costs. We may be required to obtain fresh quotations at the time of carrying out such overhauling for the respective machineries. The actual cost would, thus, depend on the prices finally settled with the vendor and, to that extent, may vary from the above estimates. Additional costs incurred, if any, shall be funded from the Net Proceeds proposed to be utilised towards general corporate purposes or through internal accruals. Our Company shall have the flexibility to deploy such machineries according to the business requirements of our Company and based on estimates of our management.

3. ***Funding the working capital requirements of our Company***

Our Company's business has grown substantially. Our revenue from operations has grown from ₹ 31,260.98 Lakhs in Financial Year ended March 31, 2023 to ₹62,423.61 Lakhs in Financial Year ended March 31, 2024 and for the nine months ended December 31, 224 revenue from operations is ₹ 57,728.59 Lakhs. Our working capital requirement has grown from ₹ 16,649.79 Lakhs as on March 31, 2023 to ₹ 30,870.41 Lakhs as on March 31, 2024. The Order Book of our Company as on December 31, 2024 is ₹ 1,27,813 Lakhs.

The following table presents the profit and loss account details, including absolute figures and the percentage Cumulative Average Growth Rate (CAGR%) for revenue from operations, EBITDA, Annual Increase in EBITDA%, PAT and working capital requirement over the past five financial years of our Company:

Profit and Loss Account (For our Company)

(₹ in lakhs, except EBIDTA%)

Year	Revenue from Operations	EBIDTA	Annual Increase in EBIDTA %	Profit After Tax	Working Capital Requirement
2019-20	11,446.48	(309.35)	-	249.05	9,761.59
2020-21	7,005.09	(1,014.84)	(228.06)	50.37	9,959.61
2021-22	5,009.66	458.17	145.15	594.72	13,259.04
2022-23	31,260.97	5,176.62	1029.85	3,682.31	14,218.30
2023-24	62,423.61	9,984.51	92.88	7,983.83	30,870.41
CAGR %	**52.82**	**366.82**	**-**	**137.95**	**33.35**

Our business is working capital intensive, and we fund our working capital requirements in the ordinary course of business from our internal accruals and overdraft facilities from banks. We operate in a highly competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances, business or strategy or foreseeable opportunity. Consequently, our fund requirements may also change.

The details of Company's working capital as of March 31, 2023, and as of March 31, 2024 and the source of funding, as certified by our Statutory Auditor, S Y Lodha and Associates, Chartered Accountants, vide their report dated March 25, 2025 are provided in the table below. Further, in light of the incremental business requirements, our Company requires additional working capital to meet its working capital requirements in the Fiscal 2025 and Fiscal 2026. Our Board pursuant to its resolution dated March 20, 2025, has approved the business plan for the Fiscal 2025, 2026 and the proposed funding of such working capital requirements.

The break-up of the working capital requirements year wise is given in the table below:

(₹ in Lakhs)

Particulars	Fiscal 2023 (Audited)	Fiscal 2024 (Audited)	Fiscal 2025 (Estimated)	Fiscal 2026 (Estimated)
Current Assets				
Inventories	11,457.99	10,198.30	23,071.22	34,608.21
Trade Receivables	2,909.45	15,181.07	15,637.38	35,349.03
Cash & Cash Equivalents and Other Bank Balances	807.42	12,521.69	12,495.99	31,811.87
Loans & Advances	5,215.00	1,887.00	1,387.00	887.00
Other Current Financial Assets	769.29	647.34	700.00	750.00
Current Tax Asset	280.71	53.48	53.48	53.48
Other Current Assets	9,428.18	4,338.75	5,631.93	9,616.65
Total Current Assets (A)	**30,868.04**	**44,827.63**	**58,977.00**	**1,13,076.23**
Current Liabilities				
Trade Payables	2,478.18	2,800.27	4,394.79	6,397.80
Lease Liabilities	83.45	270.98	270.98	270.98
Short Term Borrowings	4,597.28	5,615.61	9,220.35	2,626.82
Other Financial Liabilities	256.34	1,749.36	1,423.13	1,975.97
Other Current Liabilities	8,912.65	3,135.82	4,590.90	7,645.84
Provisions	321.89	385.18	413.56	620.33
Total Current Liabilities (B)	**16,649.79**	**13,957.22**	**20,313.71**	**19,537.74**
Net Working Capital requirement (A-B)	**14,218.25**	**30,870.41**	**38,663.29**	**93,538.49**

Particulars	Fiscal 2023 (Audited)	Fiscal 2024 (Audited)	Fiscal 2025 (Estimated)	Fiscal 2026 (Estimated)
Means of Finance				
Internal Accruals/Total Equity	14,218.25	30,870.41*	38,663.29	59,885.49
Working Capital Gap	**0.00**	**0.00**	**0.00**	**33,653.00**
Amount Proposed to be utilised from Net Proceeds	**0.00**	**0.00**	**0.00**	**33,653.00**

**Includes an amount of ₹ 7,361.83 Lakhs raised through right issue in fiscal 2024.*
Note: Pursuant to the certificate dated March 25, 2025 issued by S Y Lodha and Associates, Chartered Accountants

The projected working capital requirements for our company for Fiscal 2026 is ₹ 93,538.49 Lakhs, based on management estimates and growth assumptions.

Assumptions for Holding Levels

(In days)

Particulars	Holding Level for Fiscal 2023 (Actual)	Holding Level for Fiscal 2024 (Actual)	Holding Level for Fiscal 2025 (Estimated)	Holding Level for Fiscal 2026 (Estimated)
Current Assets				
Trade Receivables	23	53	68	75
Inventories	159	98	114	132
Current Liabilities				
Trade Payables	32	24	25	25

Justification for Holding Period levels

The justifications for the holding levels mentioned in the table above are provided below:

Trade Receivables	The holding levels of the Company's trade receivables have ranged from 23 to 53 days of revenues from operations during the last 2 Fiscals. The levels of trade receivables in Fiscal 2024 were increased owing to majority of sales getting executed in the last quarter of the Fiscal 2024. As our company's substantial Revenue from Operations had taken place in the Quarter 3 and Quarter 4 for Fiscal 2023 as well as for Fiscal 2024, the similar trend is expected to continue in Fiscal 2025 and onwards. Based on the current order book, estimated increase in our order book and keeping in mind the similar trend during current and next fiscal and consequent increase in execution of the Order Book, our company expects increase in projected holding levels of trade receivables. Also, for securing large size orders, our company need to give better credit period to our customers than given in the past. Our Company estimates holding levels of 68 days for Fiscal 2025 and 75 days for Fiscal 2026.
Inventory	**Raw Materials**: The holding levels of the Company's raw material have ranged from 22 to 24 days of Cost of Material Consumed during the last 2 Fiscals. Based on the current order book, estimated increase in our order book during the current and next Fiscal, consequent increase in execution of the order book and in order to maintain the required raw material levels, the Company estimates holding levels of 31 days for Fiscal 2025 and 35 days for Fiscal 2026.
	Work in Progress: The Company caters to different industries in the engineering segment, offering diverse range of products. The delivery time from receipt of order to dispatch of the product generally ranges from 9 to 15 months, including 2 to 3 months for product designing and procurement of relevant raw materials. Further, majority of orders are received in Quarter 3 & Quarter 4 of a Fiscal Year, which results in work in progress to be major part of Inventory in terms of Value and number of days. Accordingly, the holding levels of the Company's work in progress were 95 days and 49 days of Cost of Goods Sold during the last 2 Fiscals respectively. The Company estimates that the same

	trend shall continue and accordingly, estimates holding levels of 51 days for Fiscal 2025 and 59 days for Fiscal 2026.
	Stores and spares: The holding levels of the Company's Stores and Spares were 17 days and 13 days of Cost of Goods Sold during the last 2 Fiscals respectively. The Company estimates holding levels of 16 days for Fiscal 2025 and 19 days for Fiscal 2026.
Other current financial assets	Other current financial assets include security deposit, taxes recoverable and interest receivable. The holding levels for the same is 7 days for Fiscal 2023 and 4 days for Fiscal 2024 of revenue from operations. The Company estimates holding levels of 3 days for Fiscal 2025 and 2 days for Fiscal 2026.
Current Tax assets	Current tax assets include movement in deferred tax assets or liabilities arising out of assessment of deferred tax working. The holding levels for the same is 3 days for Fiscal 2023 and approx. 1 day for Fiscal 2024 of revenue from operations. The Company estimates less than 1 day holding levels for Fiscal 2025 and Fiscal 2026.
Other current assets	Other current assets include prepaid expenses, security deposits, advances to employees and suppliers. The holding levels for the same is 82 days for Fiscal 2023 and 40 days for Fiscal 2024 of revenue from operations. The Company estimates 22 days holding levels for Fiscal 2025 and Fiscal 2026.
Trade Payables	The holding levels of Trade Payables were on a declining trend i.e. 32 days for Fiscal 2023 and 24 Days for Fiscal 2024 of Cost of Goods Sold primarily to avail competitive pricing which in turns helps reduce cost and increase margins. Continuing on the same trend, the Company expects the holding level of 25 days for Fiscal 2025 and Fiscal 2026.
Lease liabilities	Lease liabilities refer to lease amounts payable for various immovable properties taken on long term lease. The amounts arrived are based on lease amortisation schedule as per the requirements of Ind-AS 116
Short Term Borrowings	Short term borrowings include overdraft facility availed from banks against fixed deposits.
Other Financial Liabilities	Other financial liabilities include Taxes Payable, Dues payable to employees and unclaimed dividend.
Other Current Liabilities	Other current liabilities mainly include advances received from various customers, which were 63 days of revenues from operations for Fiscal 2023 and 35 days of revenues from operations for Fiscal 2024. The Company estimates it to remain 17 days for the Fiscal 2025 and 18 days for Fiscal 2026.
Provisions	Provisions include provision for gratuity, compensated absence and provisions for expenses which are recurring in nature, which were 2 days of revenues from operations for Fiscal 2023 and Fiscal 2024. The Company estimates similar holding levels for Fiscal 2025 and Fiscal 2026.

Note:

1. *Trade receivable days: Average of trade receivables for the current and previous period/ revenue from operations * 365*
2. *Inventory days: Average of inventory for the current and previous period / cost of material consumed * 365*
3. *Other current financial assets days: Average of Other current financial assets of the current and previous period /revenue from operations *365*
4. *Current tax assets days: Average of current tax assets of the current and previous period /revenue from operations *365*
5. *Other current assets days: Average of other current assets of the current and previous period /revenue from operations *365*
6. *Trade payable days: Average of trade payables for the current and previous period / cost of material consumed * 365*
7. *Other current liabilities days: Average of other current liabilities of the current and previous period /revenue from operations *365*
8. *Provisions days: Average of provisions of the current and previous period /revenue from operations *365*

4. Investment in the equity shares of Techno Industries Private Limited (second tranche).

The Board of Directors of our Company, in their Board Meeting held on July 30, 2024, subject to approval by our shareholders, approved the acquisition of shares of Techno Industries Private Limited ("**Techno**") in three (3) tranches and accordingly entered into a share purchase and shareholders

agreement dated July 30, 2024, with the shareholders of Techno. On August 29, 2024, our shareholders approved the controlling stake in Techno by way of swap of Equity Shares through Preferential Allotment. Techno is engaged in the business of manufacturing and marketing of elevators and escalators, motors and pumps. The consideration for the said acquisition is partly by way of payment of cash and partly by issuance of equity shares of our Company, on preferential basis, to the shareholders of Techno.

The authorised share capital of Techno is ₹1,500 Lakhs, consisting of 1,50,00,000 equity shares of ₹ 10/- each. The total issued, paid-up and subscribed share capital of Techno is ₹1,249.99 Lakhs, consisting of 1,24,99,999 fully paid-up equity shares of ₹10/- each.

The shareholding pattern of Techno as on the date of signing of the Share Purchase and Shareholders Agreement is as follows:

Name of Shareholder	Number of Shares held	Percentage of shareholding in Techno (%)
Bharat Patel	1,21,97,199	97.58
Rita Patel	3,02,800	2.42
Total	**1,24,99,999**	**100.00**

The total consideration for the acquisition is payable in three (3) tranches, wherein the first tranche consists of ₹17,500 Lakhs, which in turn is payable in two (2) modes, i.e. (a) ₹ 15,000 Lakhs by way of issue of Equity Shares of our Company to the shareholder(s) of Techno for 66% of current outstanding equity shares of Techno i.e. preferential issue of our Equity Shares, i. e. allotment of 1,76,05,634 Equity Shares of ₹ 1/- each, in accordance with applicable provisions of SEBI ICDR Regulations and other applicable laws, the allotment for which has been completed on October 15, 2024, and (b) ₹2,500 Lakhs in cash for acquisition of 11% of current outstanding equity shares of Techno which is already paid on October 21, 2024 out of internal accruals. Consequent to the same, we currently hold 77% of outstanding equity shares of Techno. As required under Regulation 163 (3) of the SEBI (ICDR) Regulations, 2018, the valuation of equity shares of Lloyds Engineering Works Limited and Techno Industries Private Limited has been done by Dinesh Kumar Deora, IBBI Registered Valuer- Securities and Financial Assets (IBBI Registration Number-IBBI/RV/07/2019/12711), being an Independent Registered Valuer to determine Fair Value of equity shares and the swap ratio of Equity Shares of both the Companies vide report (the "**Valuation Report**") dated July 29, 2024. Dinesh Kumar Deora is in no way related / connected to our promoters, promoter group, KMPs and/or their relatives.

The second tranche of the consideration, payable in cash is ₹2,500 Lakhs for acquisition of 11% of current outstanding equity shares of Techno, which is expected to be paid out of the proposed Rights Issue Proceeds. Consequent to the second tranche acquisition, we would be holding 88% of outstanding equity shares of Techno.

The third tranche of the consideration for the balance 12% of current outstanding shares of Techno is payable within three (3) years from the first closing by issue of Equity Shares of our Company to the shareholders of Techno either through (i) a merger of Techno with our Company; or (ii) through a preferential issue of Equity Shares of our Company to the shareholders of Techno in accordance with applicable provisions of SEBI ICDR Regulations and other applicable laws. For the purpose, it has been agreed as part of Share Purchase and Shareholders Agreement, that valuation of Techno will be calculated at 9.25 times the EBITDA of Techno in accordance with the audited financial statements of Techno immediately preceding the date of the transfer.

Nature of benefit expected to accrue to our Company as a result of investment in equity shares of Techno Industries Private Limited

Techno is operating in the electrical engineering sector primarily in the business of manufacturing and marketing of escalators, elevators, pumps and motors. Through this acquisition, our company will enter the Electrical Engineering sector, with a focus on key products such as pumps, motors, and elevators. The proposed investment in Techno is in line with our business strategy of inorganic growth and will assist in our strategy of creating different revenue stream on consolidated basis. The acquisition will help

our Company to expand its product offering and enable our Company to enter into the B2C segment. The acquisition will thus help LEWL broaden its customer base and enhance its market position. The increase in customer base shall lead to higher revenues.

The second tranche of the consideration, payable in cash is ₹ 2,500 Lakhs for acquisition of 11% of current outstanding equity shares of Techno, which would make our holding 88% of outstanding equity shares of Techno. Further, dividend as well as capital appreciation and other shareholder benefits as and when announced by Techno. Also, consolidation of financials of Techno with our financial statement as per applicable Accounting Standard.

Thus, through the proceeds received from the proposed Rights Issue, our Company intends to utilise ₹ 2,500 Lakhs out of the Net Proceeds in the form of cash to complete the second tranche for acquisition of 11% of current outstanding equity shares of Techno.

5. Funding of unidentified acquisition and General Corporate Purposes

Our Company intends to deploy ₹ 34,431.45 lakhs from the Net Proceeds towards funding of acquisition of unidentified targets and general corporate purposes, in a manner, as approved by our Board /Securities Issue Committee, from time to time. The amount to be utilized for the funding of acquisition of unidentified targets and general corporate purposes shall not individually exceed 25% of the Gross Proceeds, and collectively shall not exceed 35% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations.

Funding of unidentified acquisition

The Board of Directors of our Company, in their Board Meeting held on July 30, 2024, subject to approval by our shareholders, approved the acquisition of shares of Techno Industries Private Limited ("**Techno**") in three (3) tranches and accordingly entered into a share purchase agreement dated July 30, 2024, with the shareholders of Techno. Techno is engaged in the business of manufacturing and marketing of elevators and escalators, motors and pumps.

The Board of Directors of LEWL on October 10, 2024, passed the resolution for acquisition of the Engineering Assets of Bhilai Engineering Corporation Limited ("**BECL/Seller**"), located at Khasra No. 114/1, 114/2, 114/3 and 114 in Hathkhoj Village, Industrial Area, Bhilai, Durg, Chhattisgarh – 490026 ("**Leased Land**"). It has been agreed via a Memorandum of Understanding dated October 10, 2024, between the parties that the LEWL ("**Purchaser**") will acquire the assets from the Seller, i.e., rights to the land lease, machineries, temporary constructions and other structures of its Engineering Division.

The table below summarizes the acquisition made by us:

Sr. No.	Name of the Acquirer entity	Name of Target entity	Mode of Acquisition	Acquisition purpose
1.	Lloyds Engineering Works Limited	Techno Industries Private Limited	Payment of cash and issue of equity shares	Expansion of product offering and broaden customer base
2.	Lloyds Engineering Works Limited	Bhilai Engineering Corporation Limited (Engineering Division)	Payment of cash	Expansion at different locations, having the same line of business/activities.

As part of our growth strategy, the Company will from time to time seek opportunities to invest growth capital in businesses that align with our strategic objectives. In light of the above, in order to capitalize on market opportunities and to pursue our growth strategies, we intend to inter alia identify and acquire targets that would strategically fit, be synergistic to our business and would strengthen our customer relationships.

For further details in relation to our business and the industry in which we operate, please see the sections entitled, "***Our Business***" and "***Industry Overview***" on pages 174 and 106, respectively.

Our Company is in a growth phase and proposes to grow organically as well as inorganically. We have recently acquired TIPL and the Engineering Division of BECL and in negotiation with some entities. The process of acquisition is a time-consuming process which requires negotiations and exhaustive set of diligence procedures and is influenced by other factors including obtaining requisite approvals. The actual deployment of funds will depend on a several factors, including inter alia the (a) timing of acquisition, (b) the nature, size and number of acquisitions and (c) general factors affecting our results of operation, financial condition, taxes, legal fees, access to capital and other commercial considerations including extent of negotiations. The quantum of the Net Proceeds to be used for acquisition / funding unidentified targets will be based on our management's decision. Acquisition initiatives may be undertaken as cash transactions, or be undertaken as share-based transactions, including share swaps, or a combination thereof and payment in a combination of upfront and deferred linked to an earn-out structure.

In order to capitalize market opportunities and to pursue growth strategies, our company proposes to *inter alia* identify and acquire targets in the engineering sector that would strategically fit, be synergistic to our business and strengthen our customer relationships. As on the date of this Letter of Offer, we have not identified any potential target for investment or acquisition or entered into any definitive agreements towards any future acquisitions or strategic initiatives.

General Corporate Purpose

The general corporate purposes for which our Company proposes to utilise the Net Proceeds shall be to drive our business growth, including, amongst other things, (a) meeting expenses incurred in the ordinary course of business by our Company and its subsidiaries, (b) duties & taxes, (c) funding strategic growth opportunities, (d) administrative overheads and expenses, (e) information technology related expenses (including information technology capital expenditure), (f) meeting of exigencies which our Company may face in the course of any business, (g) Other marketing expenses, and any other purpose in the ordinary course of business as may be approved by the Board or the Securities Issue Committee, from time to time, subject to compliance with applicable laws. The portion of Net Proceeds proposed to be deployed for general corporate purposes will not exceed 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations, and collectively with the portion of Net Proceeds proposed to be deployed towards unidentified acquisition, shall not exceed 35% of the Gross Proceeds.

B. For Techno Industries Private Limited, our Material Subsidiary:

1. Funding the acquisition of leasehold rights of the land as well as shed thereon of the existing factory, situated at Plot No. 5002, Phase IV, GIDC, Vatva, Ahmedabad, Gujarat;

Techno, our Material Subsidiary is operating on Plot No. 5002, Phase IV, Vatva GIDC, Ahmedabad, Gujarat 382445 ("**Plot 5002 GIDC Vatva property**") and Plot No. 505, Phase IV, Vatva GIDC, Ahmedabad, Gujarat 382445 ("**Plot 505 GIDC Vatva property**").

Key details of Plot 5002 GIDC Vatva property are as follows:

Nature	Leasehold Industrial land
Area	9,800 sq. mtrs (Acquisition of Leasehold Rights of the land as well as shed thereon of the existing factory)
Survey No.	390 & 391
Village	Ramol
Taluka	Dascroi
Registration District	Ahmedabad & Sub District: Ahmedabad -5(Narol)

Plot 5002 GIDC Vatva property is currently leased to Mr. Bharat Patel, erstwhile promoter and majority shareholder of Techno by GIDC. Consequent to Techno becoming our Material Subsidiary, and as agreed in the Share Purchase and Shareholders Agreement entered into for acquisition of equity shares of Techno, our Company intends that Techno will acquire the leasehold rights for the balance period of 68 years as well as for the building structure (including factory shed) constructed over the same, from Mr.

Bharat Patel. The said building structure on Plot 5002 GIDC Vatva property is primarily comprises of ground + 2 storeyed structure, admeasuring 8,576 sq. mtrs comprising of reinforced cement concrete (RCC) civil structures, columns, beams, flooring and related structures.

As per the Valuation Report dated August 28, 2024 issued by Mr. Suresh D Harwani, Director of Harwani Engineers & Associates Private Limited, (Govt. C.I.T. Reg. No. Cat-1/471/2004-2005) the value of the Plot 5002 GIDC Vatva property along with the building structure, including water tanks, gates, compound wall, security cabin, parking sheds and labour toilets, constructed over the same as disclosed above is ₹ 1,997.90 Lakhs. Apart from this, our Company have to incur other costs such as government taxes, GST, stamp duty etc from the internal accruals. For this purpose, our Company proposes to utilize ₹ 2,000 Lakhs out of the Net Proceeds which will be given to Techno in the form of long-term debt by way of inter-corporate loans in the Fiscal 2026. Suresh D Harwani and Harwani Engineers & Associates Private Limited are in no way related / connected to our promoters, promoter group, KMPs and/or their relatives.

The terms of the Inter-corporate loan (ICD) proposed to be availed by Techno Industries Private Limited is as under:

a) Techno Industries Private Limited ('Borrower') is a Material Subsidiary of Lloyds Engineering Works Limited ('Lender');
b) The term of the ICD shall be period commencing from the date of disbursement and ending eighteen months from the date of first disbursement, unless mutually extended by the parties in writing;
c) The ICD to be advanced shall be unsecured in nature;
d) Techno Industries Private Limited shall pay interest on ICD at the rate of 8% p.a. on quarterly basis;
e) The Borrower may, at its option, repay the ICD prior to the repayment date by giving 15 days prior notice to the lender;
f) The Borrower shall utilise the ICD for the purpose of its Capital Expenditure and Working Capital Requirement of its business.

Further, Techno also operates on Plot No 505, Phase – IV, GIDC Vatva, Ahmedabad, Gujarat which is leased to ABD Diamonds Private Limited, by GIDC for 99 years. ABD Diamonds Private Limited is an entity promoted by Mr Bharat Patel. Consequent to Techno becoming our Material Subsidiary, our Company has entered into a sub-lease agreement dated March 25, 2025 (with effect from October 15, 2024), with ABD Diamonds Private Limited for a period of 20 years. For this purpose, our Company does not propose to utilise any of the Net Proceeds.

Techno is operating in the electrical engineering sector primarily in the business of manufacturing and marketing of escalators, elevators, pumps and motors. The acquisition will help our Company to expand its product offering and enable our Company to enter into the B2C segment. The acquisition will thus help LEWL broaden its customer base and enhance its market position. The increase in customer base can lead to higher revenues.

Thus, through the proceeds received from the proposed Rights Issue, our Company intends to utilise ₹2,000 Lakhs out of the Net Proceeds.

2. Funding the capital expenditure requirements towards purchase of machineries, at existing factories at GIDC, Vatva, Ahmedabad

As a part of our strategy to enhance market position with focus on improving operational efficiency, facility improvisations, enhance our delivery capabilities, and meet our increasing market share, we intend to utilize up to ₹ 3,296.93 Lakhs towards purchase of additional machineries at Techno's existing factories at GIDC, Vatva, Ahmedabad.

An indicative list of machineries that is intended to be purchased for deployment at Techno's factories at Vatva, Ahmedabad, Gujarat, based on management estimates, along with details of the quotations, have been set forth:

Domestic Machineries for which Purchase Orders are issued

(₹ in lakhs)

Sr. No	Machine/ System	Item Description	Quantity	Total Cost*	Name of Vendor	Purchase Order Number	Date of Order	Advance Amount Paid ^
1.	Laser Machine and Dual Pallet	Gloria HX 1350 C CTC 3000 R	1	35.40	Mehta Hitech Industries Ltd.	P06/240015	24.07.2024	35.40
2.	Compressor	Compressor for Laser Machine-Air Cool 20 HP	1	3.68	Air Tech Engineers	P06/240016	02.08.2024	3.68
3.	UPS	40Kva Ups with Transformer	1	3.36	N H Control	P06/240018	07.08.2024	3.36
4.	Panel	Distribution panel 160 amp for laser machine	1	0.71	Reliable Enterprises	P06/240019	22.08.2024	0.71
5.	MRL Pressure Cast Dye	Brake Disc die for 2x1300 Mazak-5	1	3.54	Shree Vyankateswar Engineering Private Limited	P06/240014	19.07.2024	3.54
6.	Stator Cutting Dye and Rotor Cutting Dye	72 Slot + Outer Clitting	3	5.13	Mahavir Tool Room	P06/240010	08.07.2024	5.13
7.	Heavy Duty AC Variable Frequency Drive	Make Heavy Duty AC Variable Frequency Drive Panel for 900 KW motor, 3 Phase, 690V	1	56.64	Fuji Electric India Private Limited	P06/ 240009	20.07.2024	47.04
8.	Motorised Dimmer	1600amp 3Phase Motorised Dimmer 1125kva 3phase N-415-690v	1	34.81	Prima Transformers Private Limited	P06/ 240006	18.07.2024	34.81
9.	Blanking Circle Dye, Shaft Hole	Clitting Slot	5	26.31	Mahavir Tool Room	P06/ 240002	30.04.2024	26.31
		Total		**169.60**				**159.98**

**Inclusive of GST*

^The advance amount paid would be recouped from the Net Issue Proceeds.

Note: Certain machinery quotations and cost estimates are subject to additional charges including packing and forwarding costs which shall be paid from the Net Proceeds proposed to be utilised towards the purchase of machineries/ General Corporate Purpose or through Internal Accruals, if required.

Domestic Machineries for which orders are yet to be placed

Sr. No	Machine/ System	Description / Technical Specification (Model/make)	Quantity	Total Cost (₹ in lakhs) *	Name of Vendor	Date of Quotation	Validity
1.	Die Casting Machine	250 Ton Vertical cold chamber Hydraulic Aluminium Pressure Die Casting Machine	1	159.78	IH Castings Private Limited	12.09.2024	31.08.2025
2.	Vacuum Pressure Impregnation System and Resin Chilling System	Vacuum Pressure Impregnation System	2	103.15	Cee Dee Vacuum Equipment Private Limited	14.09.2024	15.09.2025
3.	Isolation Transformer and Battery	40kva online ups with isolation transformer	32	3.37	NH Control	29.07.2024	31.07.2025
4.	Air Compressor	Parth tech Make Air Compressor	1	2.88	Air Tech Engineers	18.09.2024	30.06.2025
5.	160A FP MCCB,25KA with TM Release DN1	Distrubution Panel 160 AMP for Laser Machine		1.18	Reliable Enterprises	17.08.2024	30.09.2025
6.	Dynamometer Model	Dynamometer / Gear box - Dynamometer Model AG 150	1 Set	35.87	Saj Test Plant Private Limited	30.09.2024	25.09.2025
7.	Distribution Transformer with OCTC	Transformer for 630KVA 11/0.433kv _IS1180	1	23.60	Transformers & Rectifiers (India) Limited	12.09.2024	30.06.2025
8.	Precision Power Analyzer	Precision Power Analyzer with Harmonic Measurement and 50A Input Element-WT1803E-HE-B/G5 and 5A0-50A3	2 Set	46.02	Yokogawa India Limited	19.09.2024	19.06.2025
9.	Testing Panel of LT Motor	Motor Testing Panel for 690V Motor	1	6.82	Pram Electech	10.08.2024	31.07.2025
10.	MV Drives - Test Bench for SCIM	MV Drive Suitable of 2000KW/11KV & 1400KW/6.6KV for Test bench Application	1 Set	413.00	TMEIC Industrial Systems India Private Limited	10.08.2024	30.06.2025
11.	HT Motor	Generator Motor - 3000kw/11Kv	1	100.30	FB Varuna Industries	07.10.2024	30.08.2025

Sr. No	Machine/ System	Description / Technical Specification (Model/make)	Quantity	Total Cost (₹ in lakhs) *	Name of Vendor	Date of Quotation	Validity
12	Flange Torque Sensor with DCI Kit	Datum Connect FF425 S5 B (20,000 Nm, 6,000 RPM) Flange Torque Sensor with DCI Kit.	1	18.62	Zing Technologies	09.08.2024	31.08.2025
13.	Testing Panel of HT Motor	Motor Testing Panel for MV motor	1	5.20	Pram Electech	10.08.2024	31.07.2025
14.	Bogie Type Electrical fired Industrial Oven	Rectangular Horizontal type Bogie Oven. Loading at Entry Front side. One Side Entry-Working Area of Trolley 2200 mm L x 1600 mm Height-18kw	1	8.34	Thorson Industries LLP	30.07.2024	30.04.2025
15.	Painting Line System	Krishna-Shot painting Line System-Inline Water Curtain Spray Booth with flash off Booth, Drying Oven, Cooling Chamber and Auto Conveyor System (Line-1st and 2nd)	2	134.52	Krishna Shot Blasting India Private Limited	26.09.2024	25.09.2025
16	TOP ASSY System with accessories	1001 SR-04 TOP ASSY - 901Y System, Film Dispens	1 Set	13.72	Sealed Air Packaging Materials (India) LLP	13.09.2024	31.07.2025
17.	Folk Lift	G Series (G1000D) Diesel Forklift and Bravo Series (GX500E BRAVO 4W) Electric Counterbalance Forklift	2	88.69	Radix Innovations Private Limited	12.09.2024	12.06.2025
18.	10T SG EOT Crane	10T x 11M Span x 6M Lift Single Girder EOT Crane	1	9.13	VGOR Enterprises	06.11.2024	06.08.2025
19.	5T SG EOT Crane	5T x 12.3M Span x 6M Lift Single Girder EOT Crane	1	7.54	VGOR Enterprises	06.11.2024	06.08.2025
20.	Software	ANSYS Motor CAD testing software	1	77.24	Bluechip Infocorn Private Limited	20.09.2024	-
21.	Cutting & Cuffing	Cutting & Cuffing	2	19.10	Samarth Automation	30.08.2024	30.06.2025

Sr. No	Machine/ System	Description / Technical Specification (Model/make)	Quantity	Total Cost (₹ in lakhs) *	Name of Vendor	Date of Quotation	Validity
	Machine	Machine for 600 mm width and Wedge cutting Machine for 30mm Width					
		Total		**1,278.07**			

**Inclusive of GST*

Note: Certain machinery quotations and cost estimates are subject to additional charges including packing and forwarding costs which shall be paid from the Net Proceeds proposed to be utilised towards the purchase of machineries/ General Corporate Purpose or through Internal Accruals, if required.

Imported Machineries

Sr. No	Machine/System	Description / Technical Specification (Model/make)	Quantity	Total Cost (₹ in lakhs) *	Name of Vendor	Date of Quotation	Validity
1.	Horizontal Insulation Paper Inserting Machine, Tooling, Automatic Coil Winding Machine, Horizontal winding inserting Machine, Pre-forming Machine, Middle Formimg Machine, Horizontal Single side Lacing Machine, Final Forming Machine, Roller Conveyor *(1)*	CZDW2-300/300 Horizontal insulation paper inserting machine-112-132 motor stator production line with tools - 1 Lines	1 Set	334.28	Ningbo Nide Mechanical Equipment Co. Ltd, China	20.09.2024	30.06.2025
2.	Horizontal Insulation Paper Inserting Machine, Tooling, Automatic Coil Winding Machine, Winding Inserting and Expanding Machine, Middle Forming Machine,	CZDW3-350/350 Horizontal insulation paper inserting machine-Production line is for 160-180	1 Set	596.11	Ningbo Nide Mechanical Equipment Co. Ltd, China	26.09.2024	30.06.2025

Sr. No	Machine/System	Description / Technical Specification (Model/make)	Quantity	Total Cost (₹ in lakhs) *	Name of Vendor	Date of Quotation	Validity
	Horizontal Single Side Lacing Machine, Final Forming Machine, Roller Conveyor (1)						
3.	The Punch (2)	PS1225 Suzhou	1 Set	339.40	Prima Power Suzhou Co. Ltd, China.	13.09.2024	30.06.2025
4.	CNC Vertical Turning Centre (1)	CNC Vertical Turning CentreVL-125CM	1 Set	579.47	Honor Seiki Co. Ltd, Taiwan	12.08.2024	30.06.2025
		Total		**1,849.26**			

**Inclusive of Basic Custom Duty, surcharge and GST*
(Note 1) These quotations are denominated in USD, for the purpose of the above table USD-INR Conversion rate as on March 24, 2025 of Rs 85.60 is assumed (Source: www.xe.com). Any increase in the estimated costs due to fluctuation in the USD-INR conversion will be paid by our Company through our Internal Accruals.
(Note 2) These quotations are denominated in Euro, for the purpose of the above table EURO-INR Conversion rate as on March 24, 2025 of Rs 92.40 is assumed (Source: www.xe.com). Any increase in the estimated costs due to fluctuation in the EURO-INR conversion will be paid by our Company through our Internal Accruals.

In relation to the purchase of machineries as set above, except for whom purchase orders are issued, no definitive agreements have been entered with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the machineries or at the same costs. The quantity of machineries to be purchased will be based on management's estimates and our business requirements. Our Company shall have the flexibility to deploy such machineries according to the business requirements and based on management's estimates.

The list of machinery items provided is based on the current estimates & there can be variations in the cost at the actual ordering of the machines. Apart from this there can be variations in the nature of machines depending upon the business requirements at the time actual procurement. As a result, the list of machines may undergo change. Hence there can addition of new machines or deletion from existing list. For this purpose, our Company proposes to utilize ₹ 3,296.93 Lakhs out of the Net Proceeds which will be given to Techno in the form of long term debt by way of inter-corporate loans in the Fiscal 2026.

No second-hand or used machineries are proposed to be purchased out of the Net Proceeds. Neither our Promoters, promoter group, Directors, Key Managerial Personnel and Senior Management are related / connected to vendors nor does they have any interest in the proposed purchase of machineries, or in the entities from whom we have obtained quotations in relation to such activities.

For further details, please see *"Risk Factor - Total Capital Expenditure to be incurred for our Material Subsidiary for Purchase of machineries is ₹ 3,296.93 Lakhs and we have incurred ₹ 159.98 Lakhs as on the date of this Letter of Offer. We have not yet placed orders/made payment in relation to ₹ 3,136.95 Lakhs to be incurred for the proposed purchase of machineries. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the machineries in a timely manner, or at all, the same may result in time and cost over-runs"* on page no 39.

3. Funding of working capital requirements

Techno's business is working capital intensive and the working capital requirements are funded in the ordinary course of business from internal accruals and financing facilities from banks and unsecured loans. Techno operates in a highly competitive and dynamic market conditions and may have to revise estimates from time to time on account of external circumstances, business or strategy, foreseeable opportunity. Consequently, the fund requirements may also change.

The following table presents the profit and loss account details, including absolute figures and the percentage Cumulative Average Growth Rate (CAGR%) for revenue from operations, EBITDA, Annual Increase in EBITDA%, PAT and working capital requirement over the past five financial years of our Material Subsidiary:

Profit and Loss Account (For our Material subsidiary)

(₹ in lakhs, except EBIDTA%)

Year	Revenue from Operations	EBIDTA	Annual Increase in EBITDA %	Profit After Tax	Working Capital Requirement
2019-20	7492.34	177.94	-	7.75	3,184.98
2020-21	6536.70	292.68	64.48	31.59	3,582.99
2021-22	13148.75	1,065.23	263.96	629.91	4,935.80
2022-23	14,833.17	1,442.67	35.43	892.63	5,024.65
2023-24	16,731.58	1,478.30	2.47	917.55	5,589.49
CAGR %	**22.24**	**69.78**	-	**229.83**	**15.10**

The details of Techno's working capital as of March 31, 2023, and as at March 31, 2024 and the source of funding, as certified by Dipal R. Shah & Co., Chartered Accountants, vide their certificate dated March 24, 2025 are provided in the table below. Further, in light of the incremental business requirements, Techno requires additional working capital for funding its working capital requirements in the Fiscal 2025 and Fiscal 2026. On the basis of its existing working capital requirements and the projected working capital requirements, Techno's Board pursuant to its resolution dated March 20, 2025, has approved the business plan for the Fiscal 2025 and Fiscal 2026, and the proposed funding of such working capital requirements. The breakup of the working capital requirements year wise is given in the table below:

(₹ in Lakhs)

Particulars	Fiscal 2023 (Audited)	Fiscal 2024 (Audited)	Fiscal 2025 (Estimated)	Fiscal 2026 (Estimated)
Current Assets				
Inventories	3,554.00	4,131.00	3,601.00	5,289.00
Trade Receivables	7,397.00	7,249.00	7,289.00	9,842.00
Cash & Cash Equivalents	449.00	504.00	472.00	894.00
Bank Balance other than above	427.00	489.00	499.00	499.00
Loans	28.00	29.00	0.00	0.00
Other Current Assets	91.00	236.00	279.00	455.00
Total Current Assets (A)	**11,946.00**	**12,638.00**	**12,140.00**	**16,979.00**
Current Liabilities				
Trade Payables	3,686.00	3,430.00	3,065.00	3,232.00
Short Term Borrowings	1,982.00	2,235.00	1,118.00	559.00
Other Financial Liabilities	88.00	34.00	373.00	845.00
Other Current Liabilities	764.00	906.00	896.00	951.00
Current Tax Liabilities	138.00	121.00	0.00	0.00
Short Term Provisions	261.00	322.00	325.00	406.00
Total Current Liabilities (B)	**6,919.00**	**7,048.00**	**5,777.00**	**5,993.00**
Net Working capital Requirement (A-B)	**5,027.00**	**5,590.00**	**6,363.00**	**10,986.00**
Means of Finance				
Internal Accruals/Total Equity	5,027.00	5,590.00	6.363.00	7,646.00
Working Capital Gap	0.00	0.00	0.00	3,340.00
Amount Proposed to be utilised from Net Proceeds	-	-	-	3,340.00

As certified by Dipal R. Shah & Co., Chartered Accountants, vide their Certificate dated March 24, 2025

Note: The amounts have been rounded to be nearest whole number.

The projected working capital requirements for our Material Subsidiary for Fiscal 2026 is ₹ 10,986.00 Lakhs is based on management estimates and growth assumptions.

Assumptions for Holding Levels

(In days)

Particulars	Holding Level for Fiscal 2023 (Actual)	Holding Level for Fiscal 2024 (Actual)	Holding Level for Fiscal 2025 (Estimated)	Holding Level for Fiscal 2026 (Estimated)
Current Assets				
Trade Receivables	173	160	157	148
Inventories	132	126	125	120
Current Liabilities				
Trade Payables	147	116	105	85

Justification for Holding Period levels

The justifications for the holding levels mentioned in the table above are provided below:

Trade Receivables	The holding levels of the Techno's trade receivables have ranged from 160 to 173 days of revenue from operations during the last 2 Fiscals. Techno has estimated holding levels of 148 to 157 days for Fiscal 2025 and Fiscal 2026 based upon having better receivables management.
Inventory	The holding levels of the Techno's Inventory period have ranged from 126 to 132 of costs of good sold during last 2 Fiscals. Techno has estimated holding levels of 125 days and 120 days for Fiscal 2025 and Fiscal 2026, respectively based upon having better inventory management.
Cash & Cash Equivalents	The holding levels of Techno's cash and cash equivalents ranged from 10 to 11 days of revenues from operations during the last 2 Fiscals. Techno's estimates 10 to 15 days holding levels for Fiscal 2025 and Fiscal 2026.
Bank Balance other than above	The holding levels of Techno's bank balance other than above ranged from 10 to 11 days of revenues from operations during the last 2 Fiscals. Techno's estimates 8 to 11 days holding levels for Fiscal 2025 and Fiscal 2026.
Loans	Loan include advance to employees. The holding levels for the same have ranged from 1 to 2 days of revenues from operations for the last 2 Fiscals. Techno's estimates no loans for Fiscal 2025 and Fiscal 2026.
Other current assets	Other current assets include advances to suppliers for goods and services, balance with statutory authorities, and interest on loans. The holding levels for the same have ranged from 2 to 5 days of revenues from operations for the last 2 Fiscals. Techno's estimates 5 to 7 days holding levels for Fiscal 2025 and Fiscal 2026.
Trade Payables	The holding levels of Trade Payables were on a declining trend, i.e. 147 days for Fiscal 2023 and 116 Days for Fiscal 2024 primarily to avail competitive pricing. Continuing on the same trend, Techno expects the holding levels of 105 days for Fiscal 2025 and 85 days for Fiscal 2026.
Short Term Borrowings	Short-term borrowings include Cash Credit Facility availed from HDFC bank and ICICI bank. Techno estimates the same facility for the end of Fiscal 2025 and 2026.
Other Financial Liabilities	Other financial liabilities include Current maturities of long-term debt from HDFC bank, and the amounts arrived are based on repayment schedule of loan agreements. Techno estimates increase in Other Financial Liabilities for Fiscal 2025 and Fiscal 2026 mainly on account of advances received from various customers.
Other Current Liabilities	Other current liabilities include advances received from various customers and statutory dues payable which were ~5% of revenues from operations for Fiscal 2023 and ~6% of revenues from operations for Fiscal 2024. Techno estimates ~5% (excluding advances received from various customers) of revenues from operations for the Fiscal 2025 and

	Fiscal 2026.
Current Tax Liabilities	Current Tax liabilities include provision for Income Tax which were ~1% of revenues from operations for Fiscal 2023 and Fiscal 2024.
Short Term Provisions	Short Term Provisions include provision for expenses related to employees which were ~2 % of revenues from operations for Fiscal 2023 and Fiscal 2024. Techno estimates similar levels for the Fiscal 2025 and Fiscal 2026.

Note:

1. *Trade receivable days: Average of trade receivables for the current and previous period/ revenue from operations * 365*
2. *Inventory days: Average of inventory for the current and previous period / cost of material consumed * 365*
3. *Cash and Cash Equivalents days: Closing of cash and Cash equivalents of the current period/revenue from operations *365*
4. *Bank balance other than above days: Closing of bank balance of the current period/revenue from operations *365*
5. *Loans days: Closing of loans of the current period/revenue from operations *365*
6. *Other current assets days: Closing of other current assets of the current period/revenue from operations *365*
7. *Trade payable days: Average of trade payables for the current and previous period / cost of goods sold * 365*
8. *Other current liabilities days: Closing of other current liabilities of the current period/revenue from operations *365*
9. *Current Tax Liabilities: Closing of current tax liabilities of current period/revenue from operations*365*
10. *Short term Provisions days: Closing of short-term provisions of the current period/revenue from operations *365*

Techno is operating in the electrical engineering sector primarily in the business of manufacturing and marketing of escalators, elevators, pumps and motors. The acquisition will help our Company to expand its products offering and enable our Company to enter into the B2C segment. The acquisition will thus help LEWL broaden its customer base and enhance its market position. The increase in customer base can lead to higher sales.

For this purpose, our Company proposes to utilize ₹ 3,340.00 Lakhs out of the Net Proceeds which will be given to Techno in the form of long-term debt by way of inter-corporate loans in the Fiscal 2026.

Deployment of Funds

Our Company and Techno has deployed a sum of ₹ 1211.98 Lakhs up to March 20, 2025 towards the Objects of the Issue mentioned above (certified by S Y Lodha and Associates, Chartered Accountants, vide their Certificate dated March 25, 2025). The details of the deployment are as under:

Particulars	₹ in Lakhs
Deployment of Funds	
Acquisition of assets of Engineering Division of Bhilai Engineering Corporation Limited	375.00
Funding the capital expenditure requirements towards purchase of machineries, at existing factories at GIDC, Vatva, Ahmedabad	159.98^
Issue Expenses	677.00#
Sources of Funds	
Internal Accruals	1,211.98*

** The said amount has been met by the Company and Techno from its internal accruals and it will be recouped from the Issue Proceeds.*

#Including GST

^ The said amount has been advanced by Techno.

Estimated Issue Related Expenses

The estimated Issue related expenses are as follows:

Sr. No.	Particulars	Estimated Amount* (₹ lakhs)	As a percentage of total estimated Issue expenses	As a percentage of Gross Issue size #
1	Fees payable to the Lead Manager	450.00	20.47	0.46
2	Fees payable to the Registrar to the Issue	22.00	1.00	0.02
3	Fees payable to the Legal Advisors and other professional service providers	72.62	3.30	0.07
4	Advertising, marketing and shareholder	1,347.54	61.31	1.36

Sr. No.	Particulars	Estimated Amount* (₹ lakhs)	As a percentage of total estimated Issue expenses	As a percentage of Gross Issue size #
	outreach expenses			
5	Fees payable to regulators, including Stock Exchanges, SEBI, depositories and other statutory fee	211.40	9.62	0.21
6	*Others*			
	Printing and stationery	50.00	2.27	0.05
	Fees payable to Monitoring Agency	12.50	0.57	0.01
	Statutory Auditors	2.00	0.09	Negligible
	Miscellaneous expenses and stamp duty	30.00	1.37	0.03
	Total estimated Issue related expenses	**2,198.06**	**100.00**	**2.21**

** Includes applicable taxes. Subject to finalization of Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. Amount will be finalized at the time of filing of the Letter of Offer and determination of Issue Price and other details. All Issue related expenses will be paid out of the Gross Proceeds received at the time of receipt of the subscription amount to the Rights Issue.*

#Assuming full subscription and receipt of all Call Monies with respect to Rights Equity Shares

Bridge Financing Facilities

Our Company has not raised any bridge loan from any bank or financial institution as on the date of this Letter of Offer, which are proposed to be repaid from the Net Proceeds.

Interim use of Net Proceeds

Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds, subject to compliance with applicable laws. Pending utilization for the purposes described above, our Company intends to temporarily deposit the funds in the scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board of Directors or a duly constituted committee thereof. In accordance with the Companies Act, our Company confirms that pending utilization of the Net Proceeds towards the stated objects of the Issue, our Company shall not use/deploy the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Monitoring of utilization of funds

Our Company has appointed India Ratings and Research Private Limited, as the Monitoring Agency for the Issue. Our Board and the Monitoring Agency shall monitor the utilisation of the Net Proceeds and the Monitoring Agency shall submit a report to our Board as required under Regulation 82(4) of the SEBI ICDR Regulations and Regulation 32 of the SEBI Listing Regulations. The monitoring agency shall submit its report to the Board in the prescribed format on a quarterly basis, until (100%) hundred per cent of the Net Proceeds of the Issue actually raised have been utilised. Our Company will disclose the utilization of the Net Proceeds under a separate head in our Financial Statements along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate instances, if any, of unutilized Net Proceeds in the Financial Statements for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 82(4) of the SEBI ICDR Regulations and Regulation 32 of the SEBI Listing Regulations, our Company shall, within 45 days from the end of each quarter or such periods as permitted under SEBI Listing Regulations, publicly disseminate the report of the Monitoring Agency on our website as well as submit the same to the Stock Exchanges, including the statement indicating deviations, and details of category wise variations if any, in the use of Net Proceeds from the Objects stated above. Such statement of deviation shall be placed before our Audit Committee for review, before its submission to Stock Exchanges. The Audit Committee shall make recommendations to our Board for further action, if necessary. The statement shall be certified by the Statutory Auditor(s) of our Company or a peer reviewed independent Chartered Accountant, which shall be submitted by our Company with the

Monitoring Agency. This information will also be published on our website and explanation for such variation (if any) will be included in our directors' report, after placing it before the Audit Committee.

Appraising entity

None of the objects of this Issue, for which the Net Proceeds will be utilized, have been appraised by any agency or any financial institution.

Strategic or financial partners

There are no strategic or financial partners to the Objects of the Issue.

Interest of Promoters, Promoter Group and Directors, in the Objects of the Issue.

Neither the Promoters, Promoter Group, Directors, Group Companies or Key Management Personnel has entered into nor are planning to enter into any arrangement/ agreements with Promoters, Promoter Group, Directors, Key Management Personnel or our Group Companies in relation to the utilization of the Net Proceeds of the Issue. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects, as set out above.

STATEMENT OF SPECIAL TAX BENEFITS

Statement of Possible Special Tax Benefits available to the Company and its Shareholders

To
The Board of Directors,
Lloyds Engineering Works Limited,
Plot No. A-5/5, MIDC Industrial Area
P.O. Murbad
Dist. Thane 421 401

Dear Sirs,

Subject: Statement of Possible Special Tax Benefits available to Lloyds Engineering Works Limited ("the Company"), and Shareholders of the Company under the Direct & Indirect Tax Laws.

We have been requested by the Company to issue a report on the Special Tax Benefits available to the Company, (as defined under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended) and its shareholders attached for inclusion in the Draft Letter of Offer & Letter of Offer in connection with the proposed Rights Issue of Equity Shares of the Company (the "Issue"). The Statement has been prepared by the management of the Company and stamped by us for identification purpose only.

The statement showing the current position of Special Tax Benefits available to the Company, and the Shareholders of the Company as per the provisions of Income Tax Act, 1961 ("the IT Act") and the Central Goods And Services Tax Act, 2017/ Integrated Goods And Services Tax Act, 2017 relevant State Goods and Services Tax Act ("SGST") read with Rules, Circulars, and Notifications ("GST law"), the Customs Act, 1962, Customs Tariff Act, 1975 ("Customs law") and Foreign Trade Policy 2015-2020 ("FTP") (herein collectively referred as "Indirect Tax Laws") as amended by Finance Act, 2025, i.e. applicable for the Assessment Year 2026-27 relevant to the Financial Year 2025-26 for inclusion in the Draft Letter of Offer & Letter of Offer ("LOF") for the issue of rights shares is annexed herewith.

These possible Special Tax Benefits are dependent on the Company and the Shareholders of the Company fulfilling the conditions prescribed under the relevant provisions of the corresponding Tax Laws. Hence, the ability of the Company and the Shareholders of the Company to derive these Possible Special Tax Benefits is dependent upon their fulfilling such conditions, which is based on business imperatives, the Company may face in the future and accordingly, the Company and the Shareholders of the Company may or may not choose to fulfil. Further, certain tax benefits may be optional, and it would be at the discretion of the Company or the Shareholders of the Company to exercise the option by fulfilling the conditions prescribed under the Tax Laws.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for Professional Tax Advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own Tax Consultant with respect to the specific tax implications arising out of their participation in the offer. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

We do not express any opinion or provide any assurance whether:

i. The Company or the Shareholders of the Company will continue to obtain these benefits in future;
ii. The conditions prescribed for availing the benefits have been/would be met;
iii. There venue authorities/courts will concur with the views expressed herein

The statement is intended solely for information and the inclusion in the Draft Letter of Offer & Letter of Offer in connection with the Rights Issue of Equity Shares of the Company and is not be used, referred to or distributed for any other purpose, without our prior consent, provided the below statement of limitation is included in the Offer Letter.

Limitation:

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the Revenue Authorities/ Courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company, and any other person in respect of this Statement, except as per applicable law.

For S.Y. Lodha and Associates
Chartered Accountants
ICAI Firm Regn. No.: 136002W

Shashank Lodha
Partner
Membership No.: 153498
Date: 7th April, 2025
Place: Mumbai
UDIN: 25153498BMOQJX1560

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO LLOYDS ENGINEERING WORKS LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS

The information provided below sets out the Possible Special Direct Tax & Indirect Tax benefits available to the Company, and its Shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of Equity Shares, under the current tax laws presently in force in India. Several of these benefits are dependent on the Company and its Shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company, and the Shareholders of the Company to derive the direct and indirect tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company, and the Shareholders of the Company may or may not choose to fulfill. Further, certain tax benefits may be optional, and it would be at the discretion of the Company or the Shareholders of the Company to exercise the option by fulfilling the conditions prescribed under the Tax Laws.

The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own Tax Consultant with respect to the tax implications of an investment in the shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

The tax benefits stated below are as per the Income tax Act, 1961 ("IT Act") as amended from time to time and applicable for financial year 2025-26 relevant to assessment year 2026-27 (AY 2026-27) and Indirect Tax Laws as amended from time to time and applicable for financial year 2025-26

I. Under the IT Act

1. Special Tax Benefits available to the Company under the Act

- **Lower Corporate Tax rate under Section 115BAA**

  A new Section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 ("the Amendment Act, 2019") granting an option to domestic companies to compute corporate tax at a reduced rate of 25.17% (22% plus surcharge of 10% and cess of 4%) from the Financial Year 2019-20, provided such companies do not avail specified exemptions/incentives (e.g. deduction under Section 10AA, 32(1)(iia), 33ABA, 35(2AB), 80-IA etc.)

  Section 115BAA also provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax ("MAT") under Section 115JB. The CBDT has further clarified that since the MAT provisions under Section 115JB itself would not apply where a domestic company exercises option of lower tax rate under Section 115BAA, MAT credit would not be available.

  The Company has exercised the above option.

- **Deductions from Gross Total Income**

  The Company is eligible for the following deductions from its Gross Total Income, even though it has opted for the concessional tax rate under section 115BAA of the IT Act.

  Section 80 JJAA -Deduction in respect of employment of new employees

  Subject to fulfilment of prescribed conditions, the Company is entitled to claim deduction, under the provisions of Section 80JJAA of the Act, of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

Section 80M - Deduction in respect of inter-corporate dividends

Section 80M provides for deduction from gross total income of a domestic company, of an amount equal to dividends received by such domestic company from another domestic company or a foreign company or a business trust as does not exceed the amount of dividend distributed by it on or before one month prior to the date of filing its tax return as prescribed under Section 139(1) of the IT Act.

Where the Company receives any such dividend during a Financial Year and also, distributes dividend to its shareholders before the aforesaid date, as may be relevant to the said Financial Year, it shall be entitled to the deduction under Section 80M of the Act.

2. Special Tax Benefits available to Shareholders

There are no Special Tax Benefits available to the Shareholders (other than Resident Corporate Shareholder) of the Company.

With respect to a Resident Corporate Shareholder, a new section 80M is inserted in the Finance Act, 2020, to remove the cascading effect of taxes on inter-corporate dividends during financial year 2020-21 and thereafter. The section provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other Domestic Company or a Foreign Company or a Business Trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other Domestic Company or Foreign Company or Business Trust as does not exceed the amount of dividend distributed by it on or before the due date. The "due date" means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139.

NOTES:

- *The above statement of Possible Special Tax Benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.*
- *The above statement covers only certain Special Tax Benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.*
- *The above statement of Possible Special Tax Benefits is as per the current Direct Tax Laws relevant for the assessment year 2026-27. Several of these benefits are dependent on the Company or its Shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.*
- *In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.*
- *As the Company has opted for concessional corporate income tax rate in previous years as prescribed under section 115BAA of the Act, it will not be allowed to claim any of the following deductions:*
  - *Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)*
  - *Deduction under clause (iia) of sub-section (1) of section 32 (Additional Depreciation)*
  - *Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, Site restoration fund)*
  - *Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section or subsection (2AA) or sub-section (2AB) of section 35 (Expenditure on scientific research)*
  - *Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project)*
  - *Deduction under section 35CCD (Expenditure on skill development)*
  - *Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA or section 80M;*
  - *No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above*
  - *No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred above*
- *This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.*

II. Under the Indirect Tax Laws

1. Special Indirect Tax Benefits available to the Company

The Company is not entitled to any special tax benefits under indirect tax laws

2. Special Tax Benefits available to Shareholders

The Shareholders of the Company are not entitled to any Special Tax Benefits under indirect tax laws

NOTES:

1. These benefits are dependent on the Company fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.

2. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her Tax Advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

3. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

4. This Statement does not consider general tax benefits available to the Company and its material subsidiary.

This certificate is issued for the purpose of Rights issue and should not be used for general applications. Any use beyond its intended scope requires prior written consent from the issuing authority.

SECTION IV - ABOUT THE COMPANY

INDUSTRY OVERVIEW

The industry-related information contained in this section is derived from the industry report titled "*Assessment of heavy engineering, capital goods, elevators & escalators and selected motors industries in India*" dated October 21, 2024 prepared by CRISIL Market Intelligence & Analytics, a division of CRISIL Limited ("**CRISIL MI&A**" and such report, the "***CRISIL Report***") which has been prepared exclusively for the purpose of understanding the industry in connection with the issue and commissioned and paid for by our Company, pursuant to the engagement letter dated July 23, 2024. The CRISIL Report will be available on the website of our Company at www. https://lloydsengg.in/investors/#rights from the date of this Letter of Offer until the Issue Closing Date.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Further, information has been derived from the CRISIL Report. Neither we, nor the Lead Manager, nor any other person connected with the Issue have verified the information in the CRISIL Report. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in the CRISIL Report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the Issue. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year.

1. Macroeconomic overview

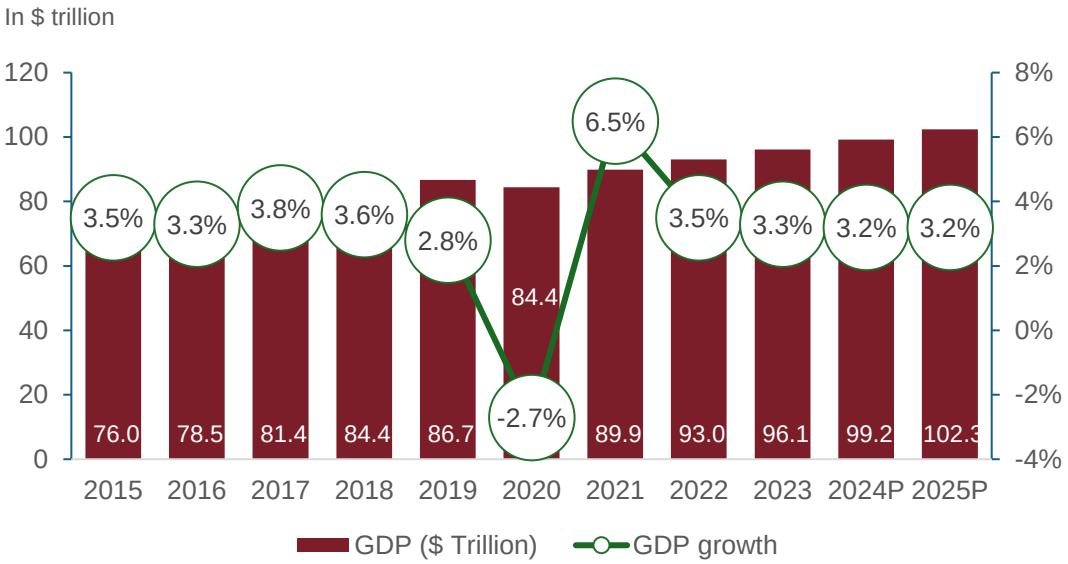
1.1. Global Macroeconomic assessment

Global GDP is estimated to grow at 3.2% in CY24 and CY25 amid moderating inflation and steady growth in key economies

As per the International Monetary Fund's (IMF) October 2024 update, global gross domestic product (GDP) growth is projected at 3.2% in 2024 and 2025 respectively. The latest estimate for 2024 is in line with IMF's previous forecast in July 2024. This growth going forward is majorly propelled by the emerging and developing economies with regional differences on account of global economic tensions and extreme weather events.

With disinflation and steady growth, the likelihood of a hard landing has receded, and risks to global growth are broadly balanced. Amid favourable global supply developments, inflation has been falling faster than expected with advanced economies leading the change. However, service inflation is holding up the progress on disinflation. On the upside, faster disinflation could lead to further easing of financial conditions. On the downside, new commodity price spikes from geopolitical shocks and supply disruptions or more persistent underlying inflation could prolong tight monetary conditions.

Trend and outlook for global GDP (2015-2025P)



Note: E: Estimated, P: Projection
Source: IMF economic database, CRISIL Market Intelligence and Analytics (MI&A)

Global per capita GDP

Global GDP per capita logged 3.4% compound annual growth rate (CAGR) between 2017 and 2023, as per IMF data while India's GDP expanded at ~4.1% CAGR between 2017 and 2023.

Per capita GDP at current prices for key economies- $ per capita

Regions	2017	2018	2019	2020	2021	2022	2023	2024P	CAGR 2017-2023
US	60,293	63,165	65,561	64,462	71,258	77,980	82,715	86,601	5.4%
Euro area	37,208	40,138	39,261	38,167	42,939	41,493	44,851	46,635	3.2%
UK	40,618	43,275	42,713	40,231	46,731	46,103	49,648	52,423	3.4%
China	8,760	9,849	10,170	10,525	12,572	12,643	12,597	12,969	6.2%
Japan	38,903	39,850	40,548	40,160	40,161	34,158	33,899	32,859	-2.3%
India	1,958	1,974	2,050	1,916	2,250	2,366	2,497	2,698	4.1%
World	10,934	11,484	11,530	11,126	12,566	12,976	13,400	13,898	3.4%

Source: IMF, CRISIL MI&A

India among the world's fastest-growing key economies

Following the recovery from the COVID-19 pandemic, India exhibited a faster growth rate of 7.0% in FY2023, surpassing both advanced economies at 2.9% and emerging and developing economies at 4.0%. This trend is expected to continue, with India leading the growth compared to its key counterparts

Real GDP growth by geographies (%)

Regions	2018	2019	2020	2021	2022	2023	2024P	2025P
US	3.0	2.6	-2.2	6.1	2.5	2.9	2.8	2.2
Euro area	1.8	1.6	-6.1	6.2	3.3	0.4	0.8	1.2
Canada	2.7	1.9	-5.0	5.3	3.8	1.2	1.3	2.4
UK	1.4	1.6	-10.3	8.6	4.8	0.3	1.1	1.5
China	6.7	6.0	2.2	8.4	3.0	5.2	4.8	4.5
Japan	0.6	-0.4	-4.2	2.7	1.2	1.7	0.3	1.1
India*	6.5	3.9	-5.8	9.8	7.0	8.2	6.8	6.9

Regions	2018	2019	2020	2021	2022	2023	2024P	2025P
World	**3.6**	**2.9**	**-2.7**	**6.6**	**3.6**	**3.3**	**3.2**	**3.2**

Note: P: Projected.
* Numbers for India are for financial year (2020 is FY2021 and so on) and as per the MOSPI. 2025 (FY2026) is as per CRISIL MI&A estimates
P: Projection as per IMF update except for India
Source: IMF economic database, CRISIL Market Intelligence and Analytics (MI&A)

1.2. India's macroeconomic assessment

India's real GDP grew at 5.9% CAGR between FY12 and FY24

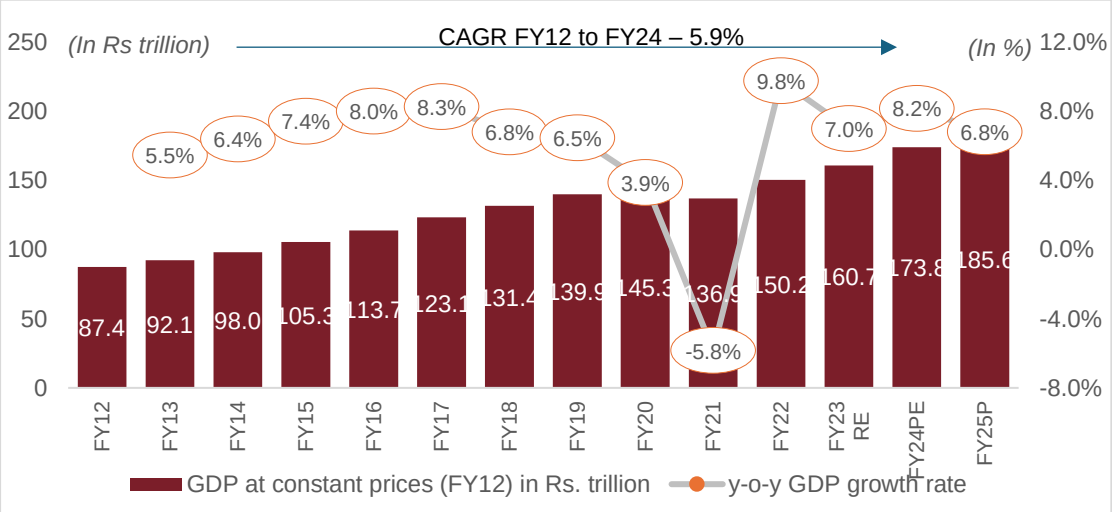
India's GDP grew at 5.9% compounded annual growth rate (CAGR) between FY12 and FY24 to Rs 173.8 trillion in FY24. A large part of the lower growth rate was because of challenges heaped by the Covid-19 pandemic in FY20 and FY21. In FY22, the economy recovered with abating of the pandemic and subsequent easing of restrictions and resumption in economic activity.

In FY23, GDP rose 7% on continued strong growth momentum, propelled by investments and private consumption. The share of investments in GDP was at 33.3% and that of private consumption was at 58.0%.

The National Statistics Office (NSO) in its provisional estimates of Annual Gross Domestic Product (GDP) for FY24, estimated India's real GDP growth to be 8.2% which is higher than its Second Advanced Estimate of 7.6%. Even as the agricultural economy slowed sharply following a weak monsoon, the surge in non-agricultural economy has more than made up for it. The government's investment push, along with easing input cost pressures for industry, has also played a major role in shoring up growth. However, services have been slowing owing to waning pent-up demand (post the pandemic), with the exception of financial, real estate and professional services, which has powered ahead on the back of robust growth in banking and real estate sectors.

Analysis of the FY24 year's growth reveal notable dichotomies. Growth has primarily been fueled by fixed investments, exhibiting a robust 9% expansion, while private consumption growth lagged at 4%, trailing overall GDP growth. On the supply side, the manufacturing sector experienced the most substantial growth at ~9.9%, while agriculture exhibited more modest growth rate of 1.4%. These trends underscore the varied performance across sectors, highlighting the nuanced dynamics shaping India's economic landscape in FY24. Overall, real GDP of India is estimated to have grown at 8.2% in FY24 compared with 7.0% in FY23.

Real GDP growth in India (new series)



RE – revised estimates, PE – Provision estimates, P – projection
Notes: The values are reported by the government under various stages of estimates

Actuals, estimates and projected data of GDP are provided in the bar graph
Source: Ministry of Statistics and Programme Implementation (MoSPI), CRISIL MI&A

CRISIL forecasts India's real GDP to grow 6.8% in FY25

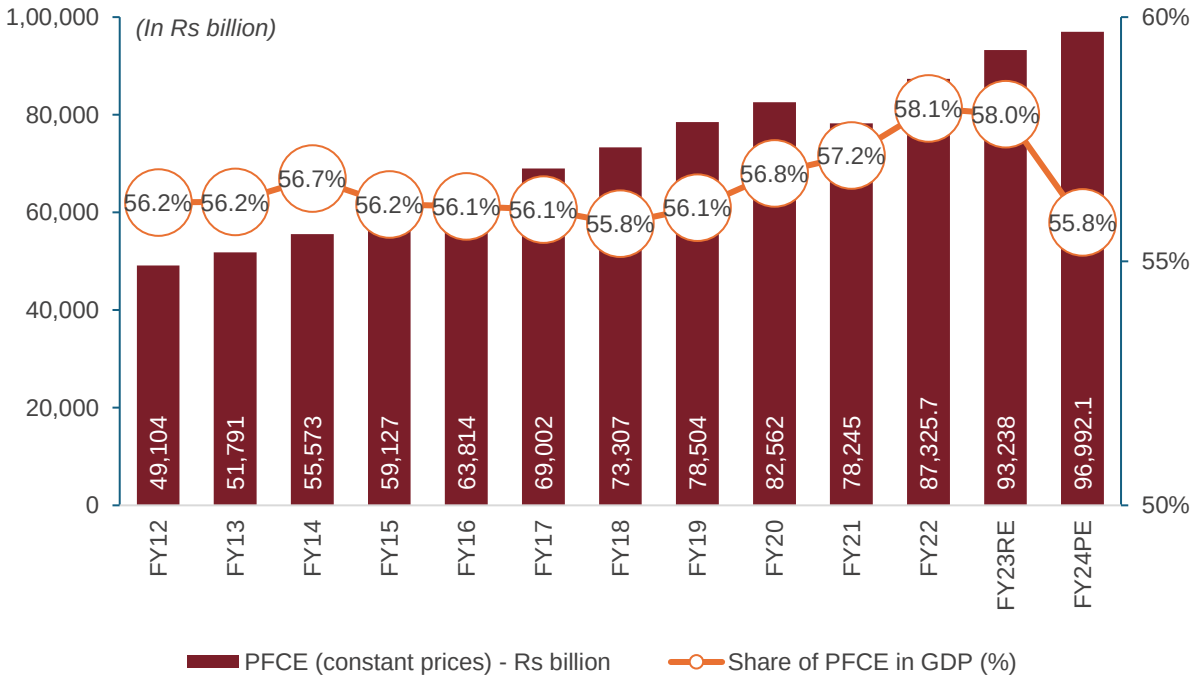
After a strong GDP print in the past three fiscals, CRISIL expects GDP growth to moderate in FY25 as fiscal consolidation will reduce the fiscal impulse to growth, rising borrowing costs and increased regulatory measures could weigh on demand, net tax impact on GDP is expected to normalize, and exports could be impacted due to uneven growth in key trade partners and any escalation of the Red Sea crisis. On the other hand, another spell of normal monsoon and easing inflation could revive rural demand.

At an overall level, India's real GDP is expected to be 6.8% in FY25. This slower growth rate vs. FY24 will be because of slowing global growth, impact of rising interest rates, waning of pent-up demand for services and increasing geopolitical uncertainty. Still, the manufacturing sector, investments and domestic demand will remain resilient.

1.3. PFCE to maintain dominant share in India's GDP

Private final consumption expenditure (PFCE) at constant prices clocked 6% CAGR between FY12-23, maintaining its dominant share of ~58.0% in FY23 (~Rs 93,238 billion in absolute terms, up 6.8% year-on-year). Growth was led by healthy monsoon, wage revisions due to the implementation of the Seventh Central Pay Commission's (CPC) recommendations, benign interest rates, growing middle age population and low inflation. As of FY24PE, PFCE is estimated to have further increased to Rs 96,992 billion, registering a y-o-y growth of ~4% and forming 56% of India's GDP. The share of PFCE declined in FY24 indicating slower growth for PFCE at 4% compared to overall GDP growth of 8.2%

PFCE at constant prices

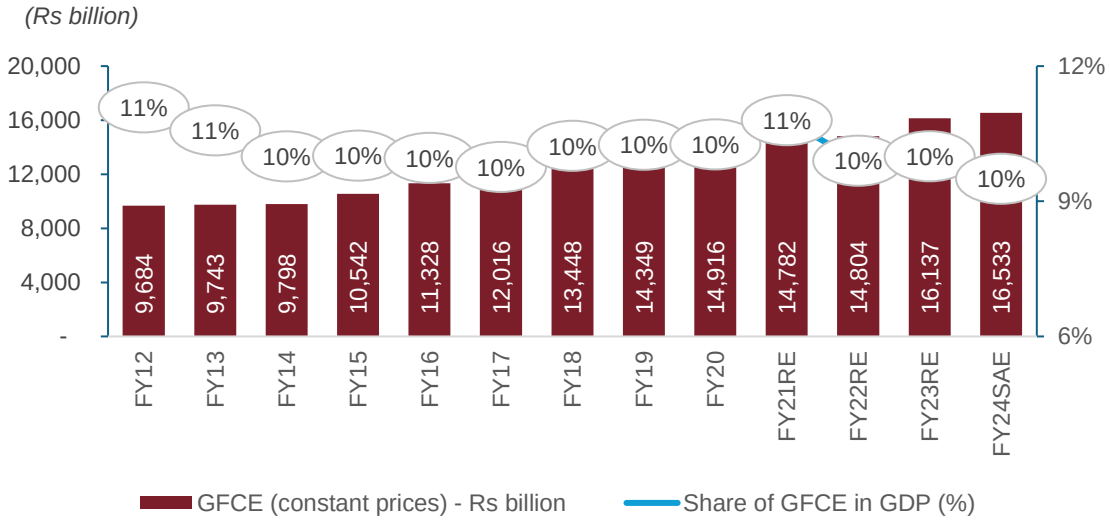


Note: RE: revised estimates; PE: Provisional estimates
Source: MoSPI, CRISIL MI&A

1.4. GFCE maintains ~10-11% share in India's GDP

Government final consumption expenditure (GFCE) at constant prices clocked 4.6% CAGR between fiscal 2012 and 2024, maintaining ~10% share in the GDP pie, or ~Rs 16,533 billion. It grew 2.5 % on-year in fiscal 2024.

GFCE (at constant prices)



Note: PE: provisional estimates; RE: revised estimates
Source: MoSPI, CRISIL MI&

Robust growth in per capita income over FY12-24

India's per capita income, a broad indicator of living standards, rose from Rs 63,462 in FY12 to Rs 99,404 in FY23, logging 4.2% CAGR. Growth was led by better job opportunities, propped up by overall GDP growth. Moreover, population growth remained stable at ~1% CAGR. Furthermore, according toFY24PE, per capita net national income (constant prices) is estimated to have increased to Rs 106,774; thereby registering a year-on-year growth of ~7.4%.

Per capita net national income at constant prices

	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21RE	FY22RE	FY23RE	FY24PE
Per-capita NNI (Rs)	63,462	65,538	68,572	72,805	77,659	83,003	87,586	92,133	94,270	86,054	94,054	99,404	106,744
Y-o-Y growth (%)		3.3	4.6	6.2	6.7	6.9	5.5	5.2	2.3	-8.7	9.3	5.7	7.4

Note: RE: revised estimates, PE: provisional estimates
Source: Provisional Estimates of Annual National Income, 2022-23, CSO, MoSPI, CRISIL MI&A

India's per capita GDP grows faster than global average

Global GDP per capita clocked 2.0% CAGR between 2012 and 2023, as per World Bank data. Meanwhile, India's corresponding figure registered 5.2% CAGR.

Per capita GDP at current prices

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	CAGR 2012-2023
India per capita GDP at current prices ($)	1,434	1,438	1,560	1,590	1,714	1,958	1,974	2,050	1,916	2,250	2,366	2,497	5.2%
World per capita GDP at current prices ($)	10,767	10,947	11,103	10,356	10,401	10,934	11,484	11,530	11,126	12,566	12,976	13,400	2.0%

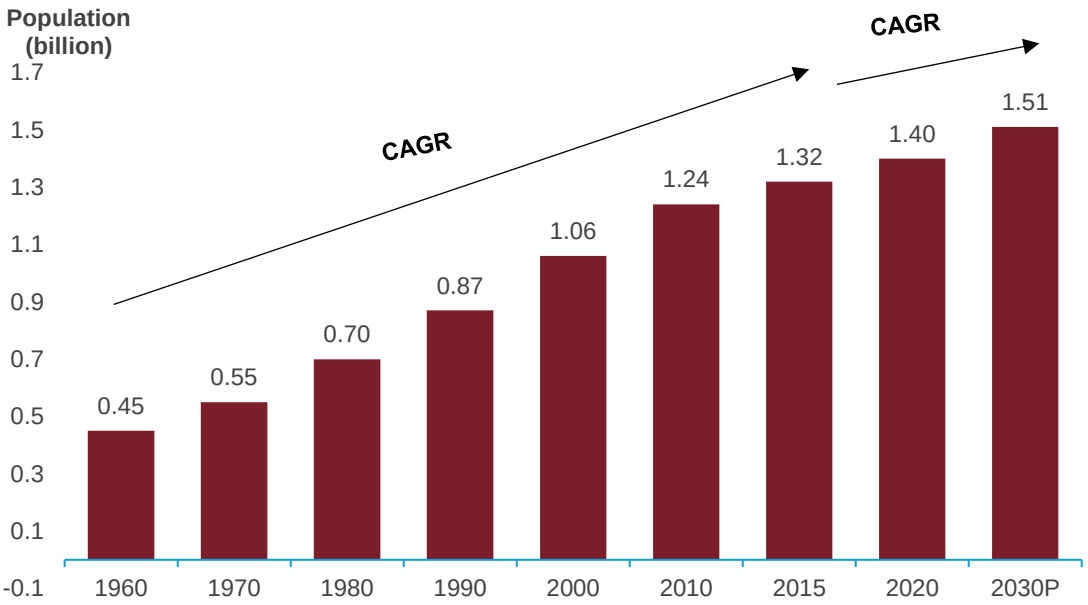
Source: World Bank, CRISIL MI&A

1.5. India's population is projected to log 0.8% CAGR between 2020 and 2030

India's population grew to ~1.2 billion according to Census 2011, at 1.9% CAGR during 2001-2011. As per the 2010 Census, the country had ~246 million households.

According to the United Nation's (UN) World Urbanization Prospects, 2022 revision, India and China, two of the most populous countries, accounted for nearly 36% of the world's population in 2021. The report projects India's population to increase at 0.8% CAGR from 2020 to 2030 to reach 1.5 billion. According to the UN estimate, India surpassed China to become the most populous country in April 2023 with 1.425 billion people.

India's population growth



Note: P: projected
Source: UN Department of Economic and Social Affairs, World Population Prospects 2022, CRISIL MI&A

As per the United Nations' 2022 Revision of World Population Prospects, India's youth (0-24 years)

accounted for nearly half its population in 2010, significantly higher than that for some of its peers (Brazil at 42.97%, China at 35.40% and the Russian Federation at 30.25%). The fact that 31.28% of the population is aged below 15 indicates the high proportion of the country's young population is expected to remain so in the coming years.

This share (0-24 years) is, in fact, expected to reach 39.00% by 2030, and remain significantly higher than that of its peers (Brazil at 32.00%, China at 25.4% and the Russian Federation at 25.77%). This also indicates a higher proportion of the population entering the workforce.

Age-wise population break-up (%) for key countries

Country	0-14 years	15-24 years	25-49 years	50-69 years	70+	Total
Brazil						
CY2010	25.04%	17.93%	37.99%	14.63%	4.41%	100.00%
CY2020	21.09%	15.79%	38.79%	18.49%	5.84%	100.00%
CY2030P	18.46%	13.54%	37.98%	21.49%	8.53%	100.00%
China						
CY2010	18.64%	16.76%	40.68%	18.17%	5.76%	100.00%
CY2020	18.35%	11.56%	38.27%	24.15%	7.67%	100.00%
CY2030P	13.25%	12.51%	34.48%	27.63%	12.12%	100.00%
India						
CY2010	31.28%	19.29%	34.23%	12.06%	3.14%	100.00%
CY2020	26.39%	18.40%	36.61%	14.61%	3.98%	100.00%
CY2030P	22.59%	16.41%	38.48%	16.92%	5.59%	100.00%
Russian Federation						
CY2010	15.42%	14.83%	37.88%	21.86%	10.00%	100.00%
CY2020	17.91%	9.88%	37.89%	24.49%	9.83%	100.00%
CY2030P	15.61%	12.56%	34.38%	23.99%	13.46%	100.00%
UK						
CY2010	17.87%	13.23%	35.30%	21.80%	11.80%	100.00%
CY2020	18.03%	11.77%	32.97%	23.33%	13.89%	100.00%
CY2030P	15.60%	12.39%	32.35%	23.54%	16.12%	100.00%
US						
CY2010	20.17%	14.36%	34.58%	21.67%	9.22%	100.00%
CY2020	18.76%	13.23%	33.40%	23.72%	10.89%	100.00%
CY2030P	16.65%	12.69%	33.63%	22.03%	15.00%	100.00%

P: Projected
Source: United Nations, Department of Economic and Social Affairs, Population Division (2022); World Population Prospects 2022, CRISIL MI&A

2. Assessment of Heavy-Engineering capital goods industry

2.1. Review of heavy engineering capital goods industry in India

Domestic heavy engineering capital goods industry estimated at Rs 3,100-3,200 billion as of fiscal 2024

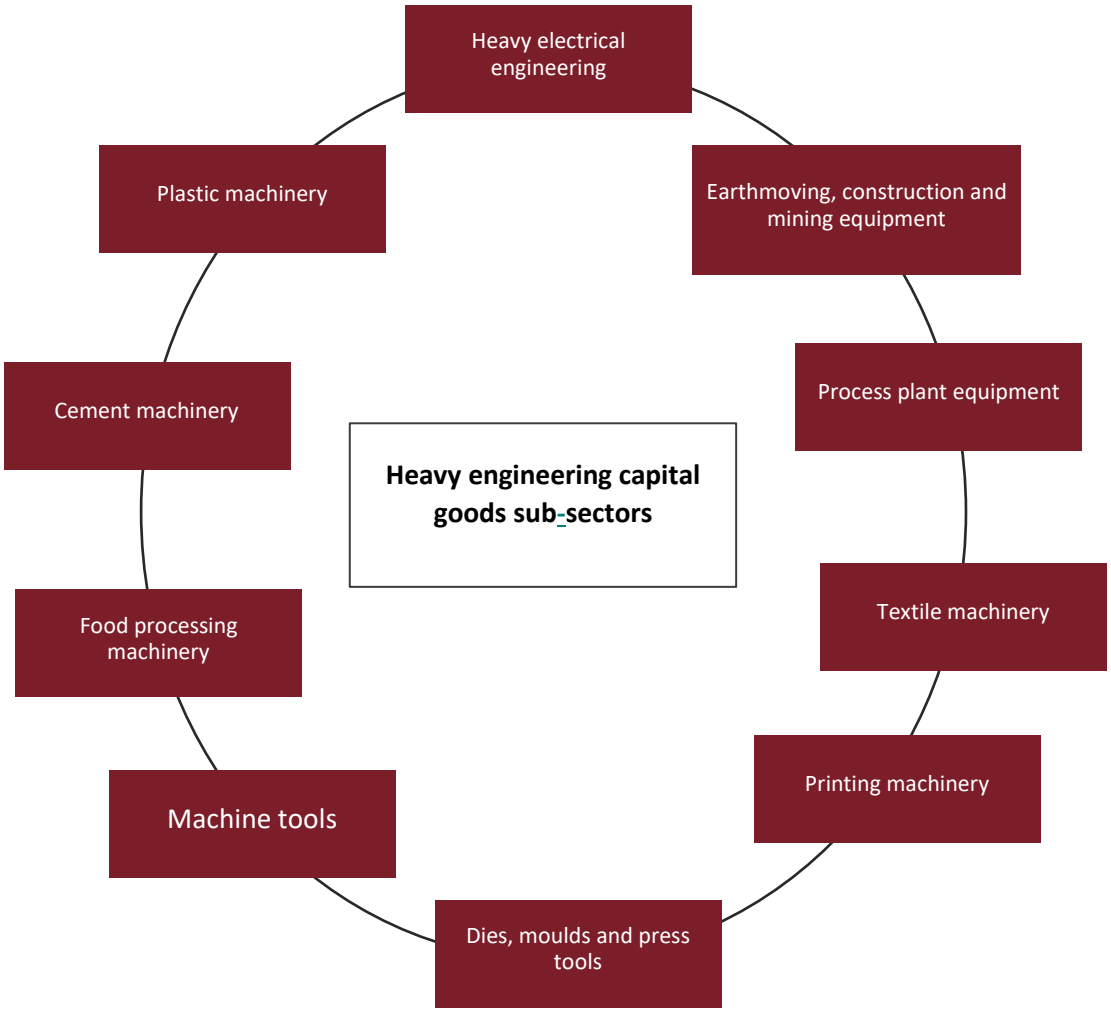
India's engineering sector is divided into two segments: heavy and light engineering. This classification is based on the nature of the product and the technology used for processing. Heavy engineering includes manufacturing and assembly of industrial machinery and plant equipment for various end-use sectors.

Equipment's are designed and manufactured to suit end-use applications for industries such as fertilizer, textile, chemical, refinery, petrochemical, and oil and gas, as well as for the thermal and nuclear power sector.

On the other hand, light engineering includes sub-sectors, manufacturing everything from basic to sophisticated equipment. Light engineering products (components, parts, and small equipment) find application in automobiles, industrial machinery, power, oil and gas, fertilizers, steel, refineries,

petrochemicals, cement, and railways sectors; and serve as inputs for the heavy engineering capital goods sectors.

Heavy engineering capital goods industry in India includes the following sub-sectors, as per CRISIL



Overview of key sub-sectors

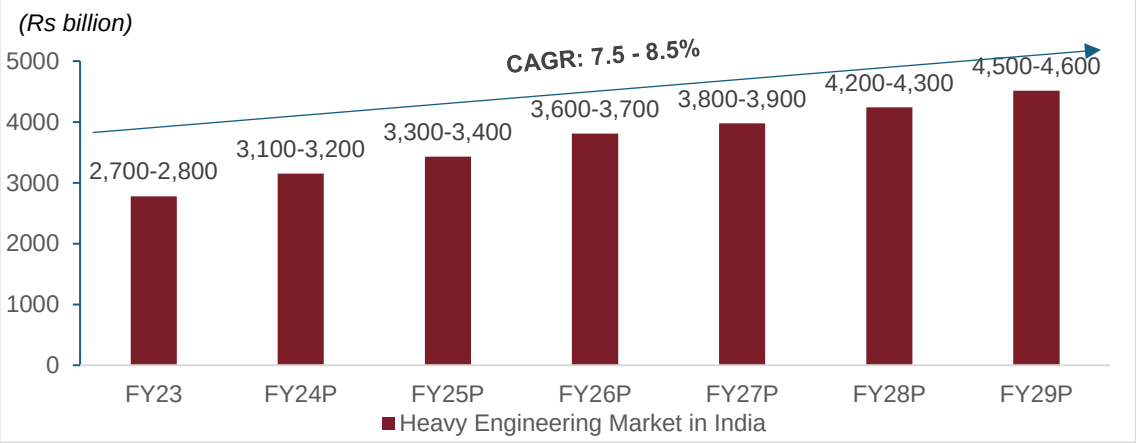
Sub-sector	Overview
Heavy electrical engineering	• A key manufacturing sector, catering to the needs of the energy, power and other industrial sectors • Major equipment, like boilers, generators, turbines, transformers, and switch gears and related accessories, are manufactured in this sector • The performance of this sector is closely linked to the country's power capacity addition programme
Earthmoving, construction and mining equipment	• Manufactures backhoe loaders, compactors, mobile cranes, pavers, batching plants, crawler crane, transit mixer, concrete pump, tower cranes, hydraulic excavators, dumpers, mining shovel, walking draglines, dozers, wheel loaders, graders, drilling equipment, tunnelling machine, etc
Process plant equipment	• Caters to industries such as oil and gas, chemical, pharmaceuticals, fertilisers, etc

Sub-sector	Overview
Textile machinery	• Majority of textile machinery manufacturers in the country are small and medium enterprises (SMEs) • Key textile machines: weaving, spinning, winding, processing and synthetic fibre machines • High-end technology machines other than in the spinning segment are mostly imported
Printing machinery	• Majority of printing machinery manufacturers are SMEs • Key printing machines: web offset printing, UV coating curing, flexographic printing, screen printing, wire stitching and lamination machines
Dies, moulds, and press tools	• Consists of commercial tool makers engaged in design, development, and manufacturing of tooling in the country. Along with commercial tool makers, several government tool rooms-cum-training centres are also operational • Key tool room locations: Mumbai, Bengaluru, Chennai, Pune, Hyderabad, and Delhi NCR
Machine tools	• Supplies machinery to the entire manufacturing sector. It is dominated by SMEs with an annual turnover ranging Rs 3-5 billion • Machine tools currently manufactured are general/special purpose machines, standard computer numerical control (CNC) machines, gear cutting, grinding, medium size machines, electrical discharge machining (EDM), presses, press brakes, pipe bending, rolling, and bending machines
Food processing machinery	• Dominated by SMEs • Key machines: peelers, sorters, graders, pulpers, grinders, mixers, cookers, fryers, dryers, pulverisers, soymilk machines, food grain and coffee millers, ovens, forming-filling- sealing machine, milking and dairy machines, and juicers
Cement machinery	• India is the world's second-largest cement producer after China, with ~8% share in global cement production and cement capacity of ~569 million tonne as of fiscal 2022 • Cement manufacturing machines include raw mill, cement crusher, cement mill, cement kiln, cement cooler, cement dryer, cement silo, and cement packer
Plastic machinery	• Key machines: injection moulding, blow moulding and extrusion moulding machines

Source: Ministry of Heavy Industries, CRISIL MI&A

Domestic Heavy engineering capital goods industry projected to grow 7.5-8.5% over fiscals 2023-29

Market size of Heavy engineering capital goods Industry in India, FY23 to FY29

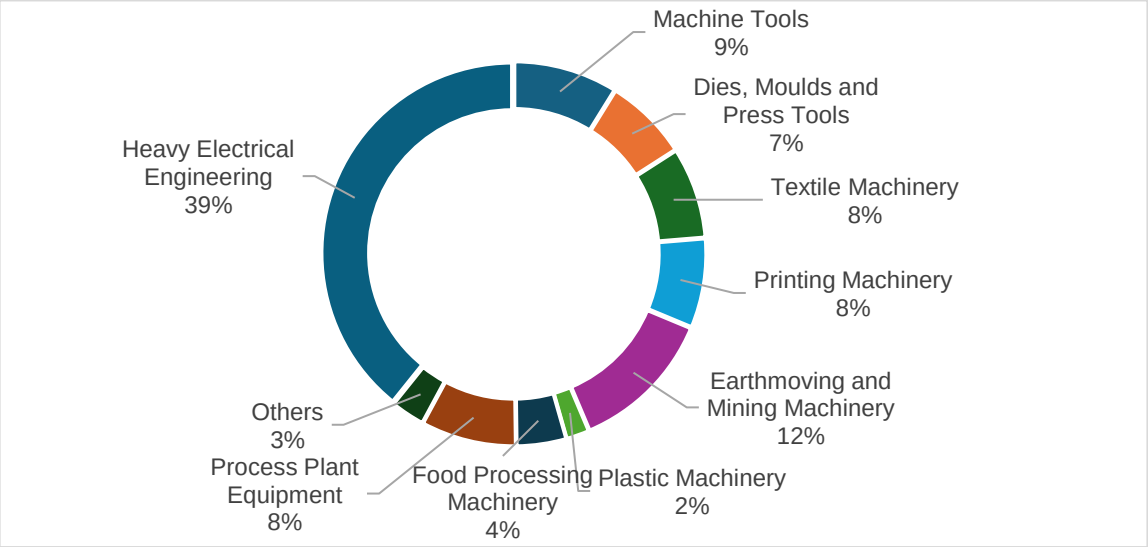


E: Estimated; P: Projected
Source: Ministry of Heavy Industries, IEEMA, CRISIL MI&A

India's heavy engineering capital goods industry is estimated to be Rs 3,100-3,200 billion as of fiscal 2024,and is projected to clock a CAGR of 7.5-8.5% over fiscals 2023-29 to reach Rs 4,500-4,600 billion. Heavy electrical engineering, earthmoving, construction and mining machinery, and machine tools are the largest segments. The industry is expected to continue to expand on the back of rising manufacturing and construction activities.

Technological advancements, foreign direct investment (FDI), and strong government initiatives are the key growth drivers of the manufacturing sector, which will propel the heavy engineering capital goods industry as well. CRISIL MI&A expects demand for heavy engineering components to get a boost from end-use sector growth on account of improvement in the ease of doing business, the Production Linked Incentive (PLI) scheme, as well as investments in infrastructure and supportive government policies. Rising demand from key end-use sectors and material capacity addition in the cement sector will further support growth.

Percentage share of subsegments in the heavy engineering industry of India (FY23)



Source: Ministry of Heavy Industries, IEEMA, CRISIL MI&A

In fiscal 2023, the heavy engineering industry was dominated by heavy electrical subsegment at 39% followed by earthmoving and mining machinery at 12%. This was followed by machine tools segment at 9%.

2.2. Overview of key policy initiatives from the government to boost heavy engineering capital goods industry in India

Positive policy and robust FDI support India's engineering and manufacturing industries

The domestic engineering and manufacturing industries have attracted the interest of foreign players, as these enjoy advantages in terms of production cost, technology and innovation, as well as consumer demand. FDI in India has risen over the past five years. FDI, which brings in long-term capital for capex and supports revenue growth, increased 2.5 times over fiscal 2018-24 compared with fiscal 2013-17.

The government has encouraged foreign investments by permitting 100% FDI under the automatic route for the heavy engineering industry (expect for countries with land borders with India). FDI in manufacturing segments will strengthen demand for heavy engineering capital goods. Further, the sector does not require an industrial license. Quantum of payment for technology transfer, design and drawing, royalty, etc. to the foreign collaborator is not restricted. There are no restrictions on imports-exports as well.

FDI inflows (Rs billion) – fiscal 2013 to 2024

Sector	FY13-17	FY18-24	Increase in FDI inflows (times)
Construction (infrastructure) activities	81	1,792	22.1
Electrical equipment	232	452	2.0
Power	269	489	1.8
Food processing	386	371	1.0
Industrial machinery	160	180	1.1
Textiles	86	145	1.7
Mining	83	91	1.1
Cement and gypsum products	173	65	0.4
Machine tools	21	27	1.3
Earthmoving machinery	14	15	1.0
Sugar	10	3	0.3
Total FDI inflows[1]	10,125	25,600	2.5

Note: Total FDI inflows across all industries
Source: DPIIT, CRISIL MI&A

Supportive government schemes and policy intervention to boost heavy engineering sector

Overview of Production Linked Incentive (PLI) Scheme

Launched in March 2020, the PLI scheme focuses on 14 sectors with an incentive outlay of Rs 1.97 trillion (~$ 26 billion) to strengthen the production capabilities of the economy. These sectors include auto components, automobile, aviation, chemicals, electronic systems, medical devices, metal and mining, pharmaceuticals, renewable energy, specialty steel, telecom, textiles and apparel, food processing, and white goods.

As many as 176 MSMEs – in sectors such as bulk drugs, medical devices, pharmaceuticals, telecom, white goods, food processing, textiles, and drones – have benefited from the PLI scheme.

Sectors that are covered by the PLI scheme and have seen an increase in FDI inflows over fiscals 2022-23 are drugs and pharmaceuticals (+46%), food processing (+26%), and medical devices (+91%). As of July 2024, 755 applications have been approved in 14 sectors. As per the economic survey 2023-24, investments worth of over Rs. 1.28 trillion were realized till May 2024, which has led to production/sales of Rs 10.8 trillion and employment generation (direct & indirect) of over 8.5 Lakh. Survey states that the exports were boosted by Rs. 4 trillion, with significant contributions from sectors such as large-scale electronics manufacturing, pharmaceuticals, food processing, and telecom & networking products.

Overview of key schemes for the heavy engineering capital goods industry

Scheme	Overview
Scheme for Enhancement of Competitiveness in the Indian Capital Goods Sector - Phase I	• Launched in November 2014, the objective of the scheme was to address various constraints faced by the sector • Advanced Centres of Excellence were set up at IITs, IISc and CMTI in partnership with the industry to develop strategic technology and machinery • 4 Industry 4.0 Centres are imparting awareness and support to MSMEs for smart manufacturing capabilities, 15 common engineering facilities centres have been created for high tech-skilling and a 530-acre specialized Machine Tool Industrial Park has been established • Under this scheme, 33 projects with budgetary support of

Scheme	Overview
	Rs 5.83 billion and a total outlay of Rs 9.96 billion were sanctioned. These aimed at addressing technology gaps, infrastructural requirements, and developmental needs of the sector
Scheme for Enhancement of Competitiveness in the Indian Capital Goods Sector - Phase II	• The phase II was launched for aiding Common Technology Development and Services Infrastructure. The scheme has a financial outlay of Rs 12.07 billion with budgetary support of Rs 9.75 billion, and industry contribution of Rs 2.32 billion • The scheme is an extension of phase I. A total of 27 projects with project cost of Rs 9.1 billion have been approved so far under the Phase-II • This phase has the following six components: – Identification of technologies through technology innovation portals (TIPs) – Setting up of new advanced CoEs and augmentation of the existing centres – Promotion of skilling in the capital goods sector – creation of skilling packages – Setting up of common CEFCs and expansion of the existing centres – Expansion of the existing testing and certification centres – Setting up of industry accelerators for technology development

Source: Ministry of Heavy Industries, CRISIL MI&A

2.3. Key growth drivers supporting the heavy engineering equipment industry in India

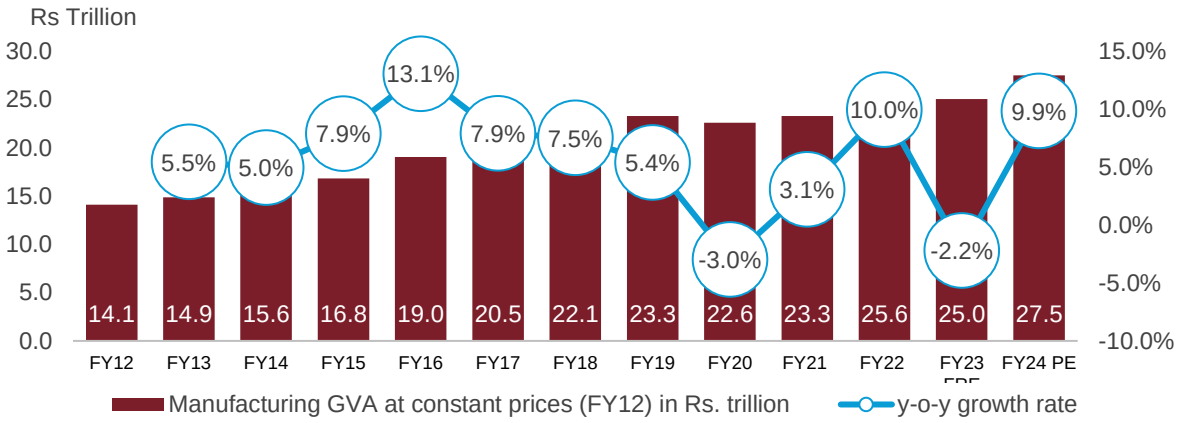
Stable contribution of manufacturing sector in overall GVA to support growth of heavy engineering capital goods, welding consumables and wear plates industries in India

Contribution from the manufacturing sector in total GVA at basic prices decreased slightly from 17.4% in fiscal 2012 to 17.3% in fiscal 2024, logging a CAGR of 5.7% from fiscal 2012 to fiscal 2024. Domestic demand remains the primary driver of the growth in manufacturing, supported by capex push and easing inflationary pressures on consumers.

Manufacturing	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23FRE	FY24PE
Manufacturing contribution (% of GVA)	17.4 %	17.4 %	17.2 %	17.3 %	18.1 %	18.1 %	18.4 %	18.3 %	17.1 %	18.4 %	18.5%	16.9%	17.3%

FRE: First revised estimate, PE: provisional estimate
Source: MOSPI, CRISIL MI&A

Manufacturing GVA at constant prices (FY12 base year)



Source: MOSPI, CRISIL MI&A

Rising demand from key end-use industries to support demand for heavy engineering equipments

Sector	Key trends
Crude Oil	• In 2024, oil demand in India is expected to reach an all-time high of approximately 5.7-5.8 million barrels per day (mbpd), owing to healthy economic growth coupled with steady demand from the transportation segment, with improved automobile sales adding to consumption. • Growth in crude oil demand is expected to slow down to 2-4% CAGR up to 2028, reaching 5.7-5.9 mbpd in 2028.
Power	• In fiscal 2024, power demand surged by 7.4% despite a high base of 9.6% recorded in fiscal 2023.The growth was driven by El-Nino led warmer temperatures along with a 7.6% growth in GDP. • Power demand is projected to clock a CAGR of 5-7% between fiscal 2024-2029, supported by economic growth recovery and improved reach and quality of power supply
Natural gas	• In fiscal 2024, demand from natural gas is estimated to have increased by ~15-20% driven by Power (18-23%), Refinery (40-45%) and Petrochemicals (45-50%). Power demand which gave negative growth in previous fiscal also supported demand growth owing to reduced hydropower generation. • In fiscal 2025, demand from natural gas is projected to grow at 5-10% driven by continued demand from Power (4-9%), CGD (8-13%) and Petrochemicals (10-15%). The growth will also be supported by lower gas prices owing to ample inventory levels.
Defence	• Defence production in India totalled Rs 1,269 billion in fiscal 2024, up at a CAGR 8.0% over fiscals 2017-24. The growth was supported by policy reforms like raising the FDI limit to 74% from 49%, DAP-2020 (which focuses on domestic procurement), PILs, simplification of industrial licensing, the iDEX scheme, SRIJAN portal, reforms in the offset policy, transfer of technologies, strong impetus on the private sector's involvement, and infrastructure development

Key government initiatives to further support growth in heavy engineering and capital goods

National Infrastructure Pipeline (NIP) - The National Infrastructure Pipeline (NIP) planned for fiscals 2019-2025 is a government initiative to provide world-class infrastructure to citizens in a bid to improve their quality of life. It aims to improve project preparation and attract investments into the infrastructure sector. To draw up the NIP, a high-level task force was constituted under the chairmanship of the Secretary, Department of Economic Affairs (DEA), Ministry of Finance.

Lack of robust infrastructure is often recognised as the primary constraint to a developing nation's growth. In India, the government is taking various steps to forge partnerships between the public and private sectors to build infrastructure. The NIP is a step in that direction. To achieve seamless working and productivity in other business sectors and India's ambitious goal to be a $5 trillion economy by 2025, strong infrastructure growth is essential. In particular, the success of India's manufacturing sector and the focus on Make in India are directly influenced by how strong the backbone of India's infrastructure is. There is a constant need for government intervention, solid funding and constant monitoring of projects. Growing urbanisation, increasing working-age population, shift to a services-based economy and climate change are some of the factors that will give a further boost to India's infrastructure sector, in turn, amplifying the need for the NIP.

NIP was launched with 6,835 projects and has expanded to capture over 9,831 projects as of August 2024, with a total project outlay of $ 2041.58 billion. Currently there are 1,992 projects under development spread across 59 sub-sectors.

Overview of NIP opportunities in select sectors

Sector	Number of opportunities / projects	Total worth of opportunities (USD billion)
Inland waterways 	31	USD 13.75 billion
Logistics infrastructure 	29	USD 5.26 billion
Electricity generation 	378	USD 259.4 billion
Telecommunication 	30	USD 34.19 billion
Steel 	6	USD 2.86 billion
Oil & gas 	156	USD 51.68 billion
Roads & highways 	3,624	USD 404.83 billion

Source: NIP website as assessed on August 2024, CRISIL MI&A

2.4. Key risks and challenges face by the heavy engineering industry in India

- **Economic Volatility and Market Cycles:** India's economy is prone to fluctuation influenced by both domestic and global factors. Changes in interest rates can have a profound impact on the heavy engineering sector. For instance, a weakening rupee raises the cost of imported raw materials such as metals and machinery, which are crucial for production. Also, the industry is highly dependent on raw materials like steel, aluminium, and copper. Disruptions in their supply-due to mining restrictions, logistics challenges, or price volatility- pose significant risks. India's limited domestic supply of some of these materials forces the industry to rely on imports, which can be affected by global supply chain bottlenecks or geopolitical factors. Additionally, global recessions or trade disruptions can reduce demand for Indian heavy engineering exports, impacting profitability and growth.

- **Technological Lag:** Compared to advanced economies, India's heavy engineering industry has been slow to adopt new technologies such as robotics, automation, and industry 4.0 practices. Many small and medium enterprises (SMEs), Which form a large part of this sector, lack the capital and technical expertise to modernize.

- **Skill Gaps:** While India has a large labour force, the heavy engineering industry faces a shortage of workers with advanced technical skills in areas such as precision engineering, design and digital manufacturing. Attracting and retaining talent in key sectors like R&D, engineering design, and advanced manufacturing remains a key challenge.

- **Regulatory and Policy uncertainty:** Policy unpredictability is a significant risk for the heavy engineering sector in India. Frequent changes in tax laws, import/export duties, and regulatory frameworks can disrupt long-term business planning. Delays in government approvals for large infrastructure projects, which are a major source of demand for heavy engineering product, can further constrain industry growth.

2.5. Overview of Eco Pickled Surface (EPS) in India

Pickling process is a crucial process in the steel industry. It involves using an acidic solution, typically hydrochloric or sulfuric acid, to remove surface oxides and impurities from steel. This dissolves the scale that forms during the processes like hot rolling or heat treatment. By doing so, The steel achieves a cleaner smoother surface, enhancing its appearance. This process also improves the steels adhesion properties for subsequent coating or painting, ensuring better corrosion resistance and increasing its overall durability for industrial applications

Eco Pickled Surface (EPS) is a sustainable process designed to clean and prepare the surface of hot-rolled steel as an alternative to traditional acid pickling. Unlike conventional methods that rely on acids to remove mill scale and contaminants, EPS uses mechanical brushing and a mild, water-based solution, making it a more ecofriendly option. This process not only delivers a smooth, clean surface suitable for subsequent treatments like coating or painting but also eliminates hazardous waste, reducing the environments footprint of steel production.

The EPS process is gaining increasing importance in India's industrial landscape, particularly as the country pushes for more sustainable and environmentally friendly manufacturing solutions. In response to growing focus on green technologies and reducing industrial pollution, the EPS process has emerged as a key innovation. For Indian industries such as automotive, construction and manufacturing, the EPS process offers several advantages. The Indian governments initiatives such as "Make in India" and its push for cleaner technologies, further support the adoption of such processes.

3. Overview of key end-use industries

3.1. Natural gas industry in India

CRISIL MI&A expects natural gas demand to increase at a compound annual growth rate (CAGR) of 7-9% to 280-290 million metric standard cubic meter per day (mmscmd) over fiscals 2024-29. We expect CGD, refineries and petrochemicals to fuel demand, led by improved domestic gas supply and governmental policy/financial support and increased imports. In our opinion, demand growth would have been higher had there been a firm policy for gas usage in the power sector and adequate supply of domestic gas.

The fertilizer, CGD, and power sectors accounted for ~60% of total gas consumption of ~118 mmscmd in fiscal 2024. We expect the share of CGD in overall gas demand to increase to 33% in fiscal 2029 from 20% in fiscal 2023. The sector's priority in domestic gas allocation, CNG price competitiveness vis-à-vis petrol and regulatory changes, in terms of fuel oil, petcoke and coal gasifier bans will drive demand.

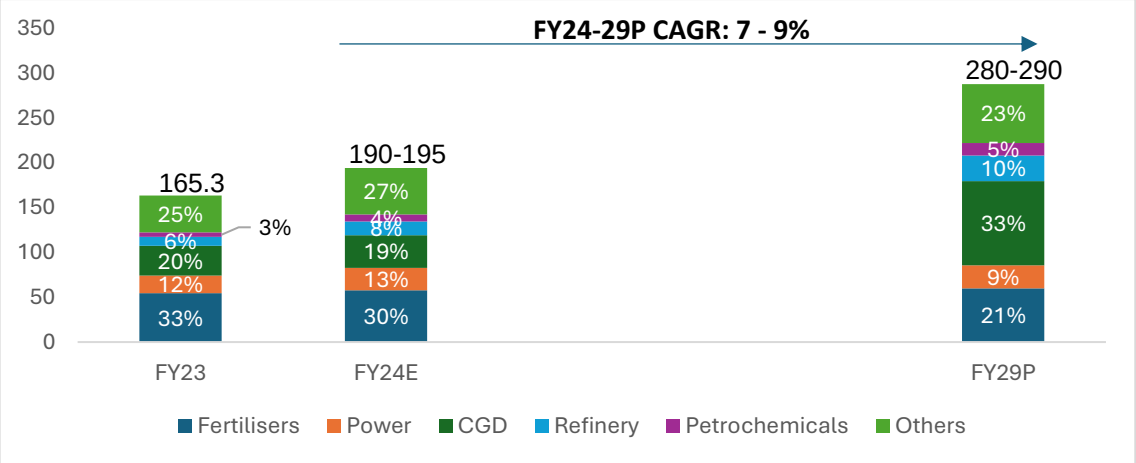
After healthy growth in fiscal 2021, demand growth from fertilizers segment slowed down and increased by mere ~1% on-year in fiscal 2022. In fiscal 2023, demand from fertilizers segment grew at a healthy

pace of 9-11%, driven by the rise in urea production led by revival of two natural gas-based urea plants (2.6 million tonne) and ramping up of Ramagundam and Gorakhpur urea plants. Moreover, expectation of normal monsoon leading to good crop output and thus higher urea production, also supported growth. Going forward in fiscal 2024, demand is estimated to have grown by 5-10% with rise in consumption owing to India's impetus to phase out urea imports by 2025.

Over the next five years, the ongoing shift to gas feedstock is expected to be the key demand driver as no major Greenfield expansions in urea are expected over the period. Growth will be driven by increase in agricultural activity in terms of increase in sown area and monsoon, which remain key monitorables.

As a result, CRISIL MI&A forecasts natural gas demand from the fertilizers sector to grow at a compound annual growth rate (CAGR) of 1-5% between fiscals 2024 and 2029 to reach 60-62 million metric standard cubic meter per day (mmscmd) until fiscal 2029.

Natural gas consumption (mmscmd) (FY23-28P)



Note: E: Estimated; P: Projected
Source: CRISIL MI&A

Key drivers in the natural gas industry

- **Players shift to natural gas feedstock:** All fertilizers units including Mangalore Chemicals & Fertilizers Ltd and Southern Petrochemicals Industries Corporation, Tuticorin, (combined: ~1.5 million tonne per annum, or MTPA), are either running on gas or have converted to gas-based units and are awaiting gas pipeline connectivity. Also, as Ennore LNG terminal commissioned in fiscal 2020, Manali plant also started running on gas. MFL converted to a gas-based unit in fiscal 2019. Pipeline connectivity to its Mangaluru plant was completed in fiscal 2021.
- **Revival of old urea plants:** The government has put a lot of thrust on revival of old urea units lying idle owing to unavailability of feedstock, resulting in huge dependence on urea imports. The revival of the urea units is expected to drive the demand for natural gas in the country.
- **New Urea Investment Policy:** Under the New Urea Investment Policy, the difference between the selling price and the cost of production/imported price is reimbursed by the government. Hence, urea manufacturers would continue to rely on gas, thereby boosting demand for gas from the fertilizers sector. Furthermore, under the direct benefit transfer scheme, the government provides subsidy directly to farmers, which will improve their ability to invest. This policy also enabled urea manufacturers to use any combination of domestic natural gas and re-gasified liquefied natural gas (R-LNG) for urea production if domestic natural gas was not available.
- **Regulatory push for cleaner fuels:** The government has provided increased impetus to replace polluting fuel sources with cleaner sources. The regulatory ban on petcoke and fuel oil is expected to extend to more states, which would become easier with extensive city gas infrastructure. Along with the regulatory push for cleaner fuels, lower spot LNG prices are expected to boost the shift from FO to industrial PNG in the long term.

Key risks and challenges impacting the natural gas industry in India

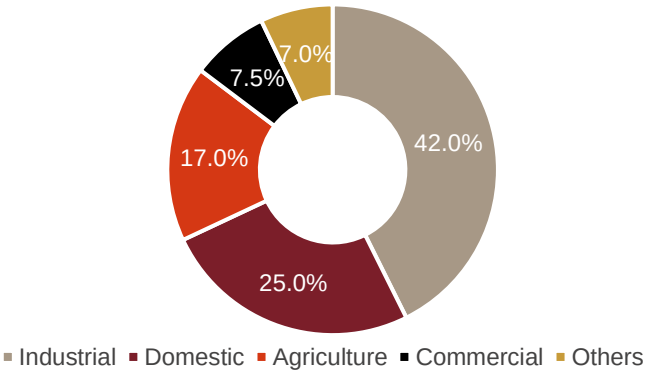
- **Infrastructure deficiencies:** The natural gas infrastructure in India, including pipelines, processing facilities, and distribution networks, is underdeveloped. This limits the reach and accessibility of natural gas, particularly in rural and remote areas. The lack of extensive pipeline network constrains the effective transportation of natural gas across the country.
- **Regulatory and policy issues:** The natural gas sector in India is affected by regulatory uncertainties and policy inconsistencies. Changes in regulations, tariffs, and subsidies can impact the investment climate and operational stability of companies in the sector. Additionally, the policy framework often lacks coherence, which can hinder long-term planning and development.
- **Technological challenges:** The natural gas industry requires advanced technologies for exploratrion, extraction,, processing, and transportation. Keeping up with technological advancements and integrating them into existing operations can be challenging, especially for smaller companies or those with limited resources.

3.2. Power industry in India

For India to sustain its economic growth trajectory, sufficient generation capacity and well-developed power infrastructure are critical. Power demand is closely linked to GDP growth where historically power consumption largely follows economic cycles. Power demand has historically lagged GDP growth by 1-2 percentage points but has bucked the trend consistently over fiscals 2021 to 2024, indicating the sustained momentum in consumption trends. In fiscal 2024, power demand surged by 7.4% driven by El-Nino led warmer temperatures along with a 7.6% increase in GDP growth despite a high base of 7.2% in fiscal 2023. CRISIL MI&A expects power demand to increase by 5.5-6.5% in fiscal 2025. This is expected to be driven by severe weather along with increase in economic output. Power demand is expected to reach 1,720-1,730 BU in fiscal 2025 after reaching 1,626 BU in fiscal 2024.

In terms of consumption, Commercial and industrial consumers dominate the power consumption in India accounting for nearly 50% of the total electricity consumed.

Segment-wise power consumption in fiscal 2023E



Note: Industrial share includes captive power consumption by industrial units
Source: CEA, CRISIL MI&A

In fiscal 2023, power consumption was dominated by the Industrial segment with a share of 42%. This was followed by domestic consumption at 25% and agriculture consumption at 17%.

Capital expenditure in Indian power industry

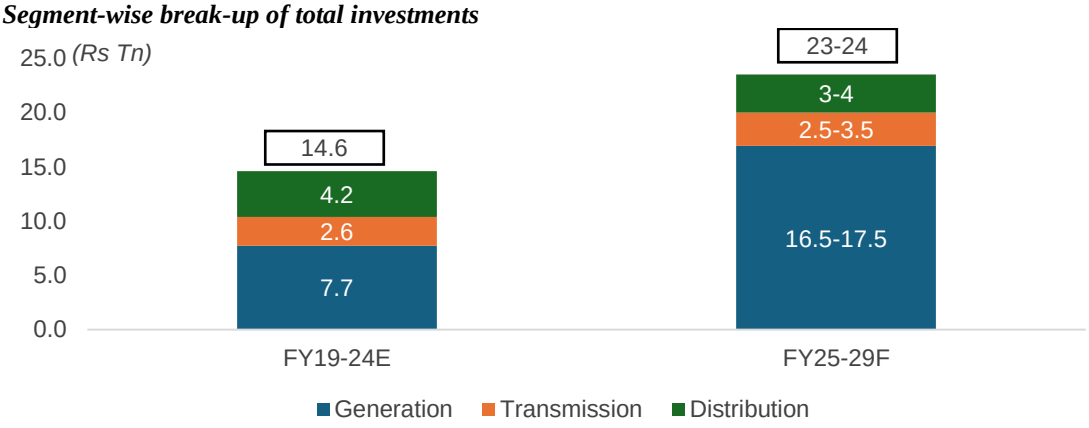
CRISIL MI&A expects investments of Rs 23-24 trillion in the power sector between fiscal 2025-2029. Investments in power generation are expected to increase ~2.1 times from Rs ~7.7 trillion between fiscals 2019-2024 to Rs 16.5-17.5 trillion between fiscals 2025-2029. Investments in renewable energy generation capacity are expected to account for ~75% of these investments over the same period as India seeks to achieve its 500 GW of non-fossil energy capacity announced in COP26.

To achieve the RE generation target, strong transmission infrastructure is needed so as to integrate large scale RE capacities into the grid. This is expected to lead to transmission investments of Rs 2.5-3.5 trillion between fiscals 2025-2029 from ~Rs 2.6 trillion between fiscals 2019-2024 led by upcoming Inter State Transmission System projects.

Additionally, Rs 3-4 trillion worth of investments in the distribution segment is expected between fiscal 2025-2029 driven by upgradation of distribution infrastructure along with installation of smart meters as India focuses on reduction of its carbon emission.

Nuclear capacities, which are considered a clear source of energy due to lower emissions compared to coal, are expected to attract investments worth Rs 0.42 trillion between fiscal 2025-2029 driven by capacity additions. Moreover, nuclear power plants aggregating 4.5-5.5 GW (Kalpakkam and extension projects at Kakrapar, Rajasthan, and Kudankulam, Kaiga) of Nuclear Power Corporation of India (NPCIL) and 7.5-8.5 GW of hydro plants are also expected to be commissioned over fiscals 2025-29.

Segment-wise break-up of total investments



E: Estimated, P: Projected
Source: CRISIL MI&A

Renewable energy to account for majority share of power generation investments

Over the next six years, investments in generation will be led by renewable energy capacity additions, followed by conventional generation and flue gas desulfurization (FGD) installations, as the shift towards clean energy generation gains momentum.

Capacity addition from renewable energy sources is expected to be 215-225 GW over fiscals 2025 to 2029, and 23-24 GW from coal based plants sources over the same period. Investments in RE capacity, which are expected to double over the next five years, in line with capacity additions, will constitute over 70% of overall generation investments. Total generation investments are expected to grow ~2x over fiscals 2025 to 2029 compared with fiscals 2019 to 2024.

Key trends and drivers in India's power industry

- **Macroeconomic factors:** Aatmanirbhar Bharat relief package, government spending on infrastructure through the National Infrastructure Pipeline, commissioning of dedicated freight corridors, expansion of the services industry, rapid urbanisation, and rising farm incomes from agriculture-related reforms are key factors increasing power demand. Also, policy initiatives, such as the PLI scheme and low corporate tax rates, among others, have supported large scale manufacturing in the country, further boosting power demand.
- Railway electrification: Indian Railways (IR) is one of the world's largest rail networks. In a bid to become net zero emitter by 2030 the government aimed to achieve 100%. By March 2023, electrification on Indian Railways has been extended to 57,067 Route kilometre (RKMs) excluding Konkan Railway. This constitutes 88% of the total broad gauge Railway Network. Achieving 100% electrification is expected to lead to an incremental power demand of

approximately 23 Bus on an average every year between fiscal 2025 to 2029, also driven by new track laying by the IR which is already electrified. Ministry of Railways has been allocated a capital outlay of Rs 2.52 trillion in the Union Budget 2024-25.

- Metro projects: The electricity consumption of the urban metro system mainly comes from electricity consumption for train traction and the electricity consumption for station operation. Metro rail has seen substantial growth in India in recent years, and the rate of growth is going to become twice or thrice in the coming years with multiple cities requiring the need for metro rail to meet daily mobility requirements.
- Electric vehicles: Under the National Electric Mobility Mission plan, the government is promoting Evs through demand-side incentives, in terms of subsidies, promoting setting up of charging infrastructure, and encouraging research and development in battery technology, power electronics, battery management, system integration, etc.

Key risks and challenges impacting the power industry in India

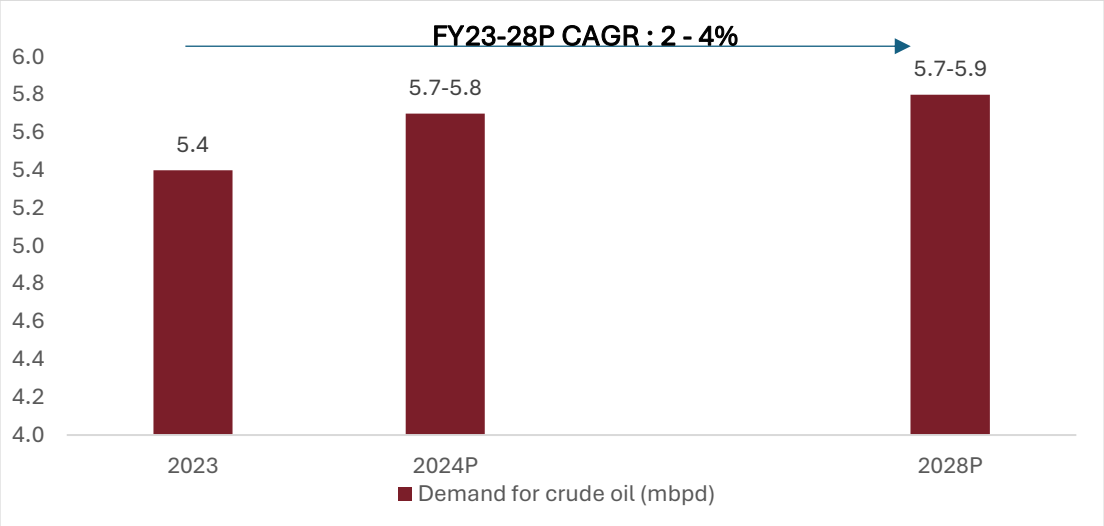
- Reduction in demand due to increase in off grid/rooftop projects: With boost to rooftop solar and declining cost of renewable energy generation, the off-grid solar generation is expected to increase, reducing power demand from grid. By fiscal 2029, installed capacity is expected to be 32-33 GW resulting in diversion of 2-3% of the power demand being met directly at consumer site.

3.3. Crude Oil industry in India

In 2024, oil demand in India is expected to reach an all-time high of approximately 5.7-5.8 million barrels per day (mbpd), owing to healthy economic growth coupled with steady demand from the transportation segment, with improved automobile sales adding to consumption. The demand growth of 0.2 mbpd year-on-year is attributed to improving operating rates, which are returning to pre-COVID-19 levels for refineries, leading to growth in production.

In 2023, demand growth was favourably supported by healthy demand growth in the automobiles segment, resulting in higher consumption. Improving mobility, coupled with improving production from the Industrial Fuels and Petrochemicals units, resulted in a healthy demand growth of 0.2 mbpd to 5.4 mbpd in 2023.

Demand for crude oil (mbpd) (FY23-28P)



Note: P: Projected
Source: BP Stats, CRISIL MI&A

CRISIL MI&A expects India's crude oil demand to increase moderately going forward. Domestic capacity addition of refineries would likely increase at a compound annual growth rate (CAGR) of ~5-

7% from 2023-28, reaching ~340 million tonnes. Growth in crude oil demand is expected to slow down to 2-4% CAGR up to 2028, reaching 5.7-5.9 mbpd, due to reasons such as gradual recovery in economy post the pandemic, regulatory ban on polluting fuels such as fuel oil and pet coke, lower liquefied natural gas prices to accelerate switchover to industrial piped natural gas, city gas distribution segment to eat away share in the transport and household segment, government push for electric vehicles (EVs), compressed natural gas (CNG), ethanol blending and cleaner fuel such as hydrogen, increase in naphtha based petrochemicals capacities etc.

CRISIL MI&A expects domestic petroleum product demand to grow at a 4-6% CAGR from fiscals 2023-28, reaching 275-280 million tonnes. This is against 2% from fiscals 2018-23. The petrol demand is forecasted to increase at a 5-7% CAGR to ~34-36 million tonnes, compared with ~6% CAGR from fiscals 2018-23. A higher growth trajectory is unlikely due to the huge government push for Evs and CNG, and improving fuel efficiencies, ethanol blending, and urban infrastructure projects such as metro, as well as cab aggregation. In fact, electric two-wheeler penetration would eat away a bigger pie of petrol consumption, with electric two-wheeler sales growth expected to reach ~40-45% during the forecast period. Similarly, demand for diesel is expected to increase at a 4-6% CAGR from fiscals 2023-28, against ~1% CAGR from fiscals 2018-23. The slower growth between was due to the degrowth of ~12% in fiscal 2021.

Key trends and drivers of the crude oil industry in India

- **Growing energy demand:** As India's economy continues to expand, energy consumption is expected to rise simultaneously. A growing population, increased urbanization, and industrialization are driving the demand for crude oil, particularly in sectors such as transportation, manufacturing and petrochemicals.

- **Rising refining capacity:** India has emerged as a global refining hub, with significant investments in increasing its capacity. Some of the top refining companies of the country have expanded their operations, thereby enabling India to not only meet the domestic demand but also export refined product to global markets. This trend has made India one of the largest exporters of refined petroleum in Asia, with refining capacity of ~250 million tonnes per annum (MTPA)

- **Diversification of oil imports:** Traditionally dependent on the middle eastern countries for crude, India has been diversifying its sources by importing from countries like the United states, Russia and various African countries. This move will help in mitigating the risks related to supply chain disruptions and price fluctuations driven by geopolitical tensions.

- **Domestic exploration and production efforts:** Despite India's large energy demand, domestic oil production has lagged. Factors such as technical challenges, geological complexities and a lack of significant discoveries have hindered growth. To reduce dependency on imports, India has been promoting initiatives like the Open Acreage Licensing Policy (OALP) and Discovered Small Fields (DSF) auctions to boost domestic exploration and production.

Key risks and challenges impacting the crude oil industry in India

- **Heavy reliance on imports for crude oil:** India imports about 85% of its crude oil, making the country highly dependent on external sources for it energy needs. This reliance on imports leaves India vulnerable to global supply chain disruptions, geopolitical tensions, and price fluctuations, Any major event such as conflict in the middle east or sanctions on oil-producing countries can lead to a sharp increase in oil prices, driving up the cost of imports.

- **Global oil price fluctuability:**

    - **Susceptibility to price fluctuations:** As a major oil importer, India is highly exposed to fluctuations in the global oil prices. Any significant rise in prices can directly impact the country's economy by increasing inflation, raising transportation costs, and driving

up the prices of essential goods and services. The volatility in oil prices, driven by factors such as OPEC production cuts, geopolitical tensions and global economic downturns, creates uncertainty for the Indian crude oil industry.

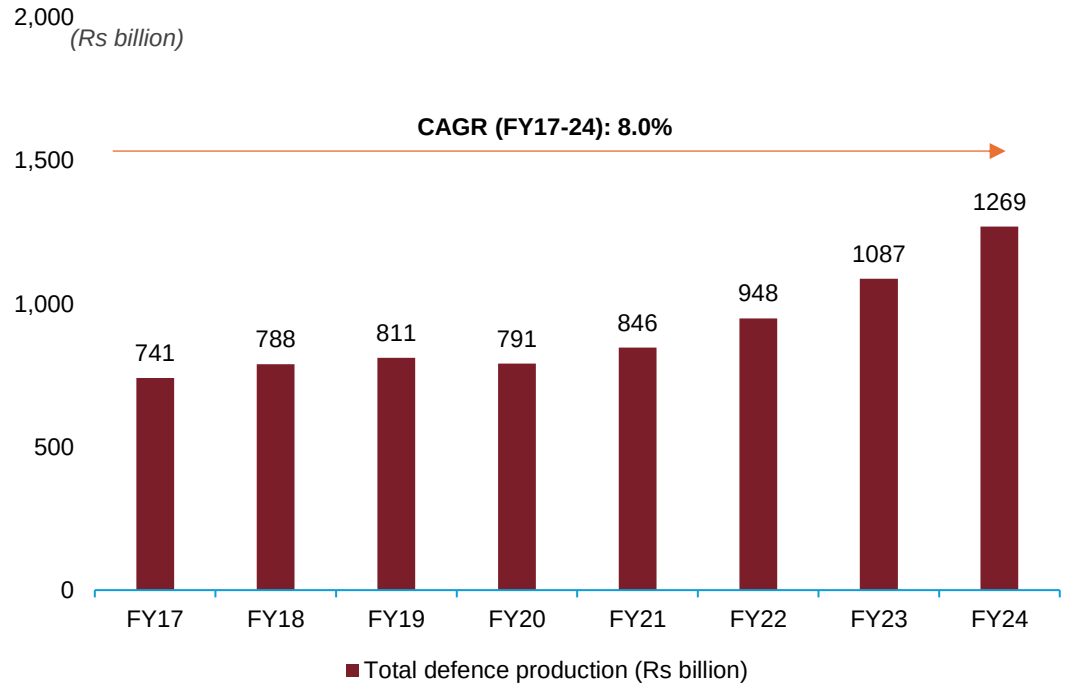
- **Strain on government finances:** When global prices surge, the Indian government faces pressure to manage fuel prices domestically. To shield consumers from price hikes, the government may resort to subsidies or reduce taxes on fuel, which puts a strain on public finances. Thid fiscal pressure can impact other critical sectors like healthcare, education and infrastructure.

- **Push towards renewables:** The global energy transition towards renewable energy sources such as solar, wind, and hydropower is gaining momentum. India, too has committed to reducing its carbon emissions and expanding its renewable energy capacity. However, this shift poses a challenge to the crude oil industry, as it reduces the long-term demand for fossil fuels.

3.4. Defence industry in India

Over the past few years, indigenous defence production has been a key priority for the government. Various measures have been introduced to encourage the domestic defence industry. This includes, raising the FDI limit to 74% from 49%, DAP-2020 (which focuses on domestic procurement), PILs, simplification of industrial licensing, the iDEX scheme, SRIJAN portal, reforms in the offset policy, transfer of technologies, etc.

Total defence production in India, FY17-24



Note: E: estimated, P: projected
Source: MoD, CRISIL MI&A

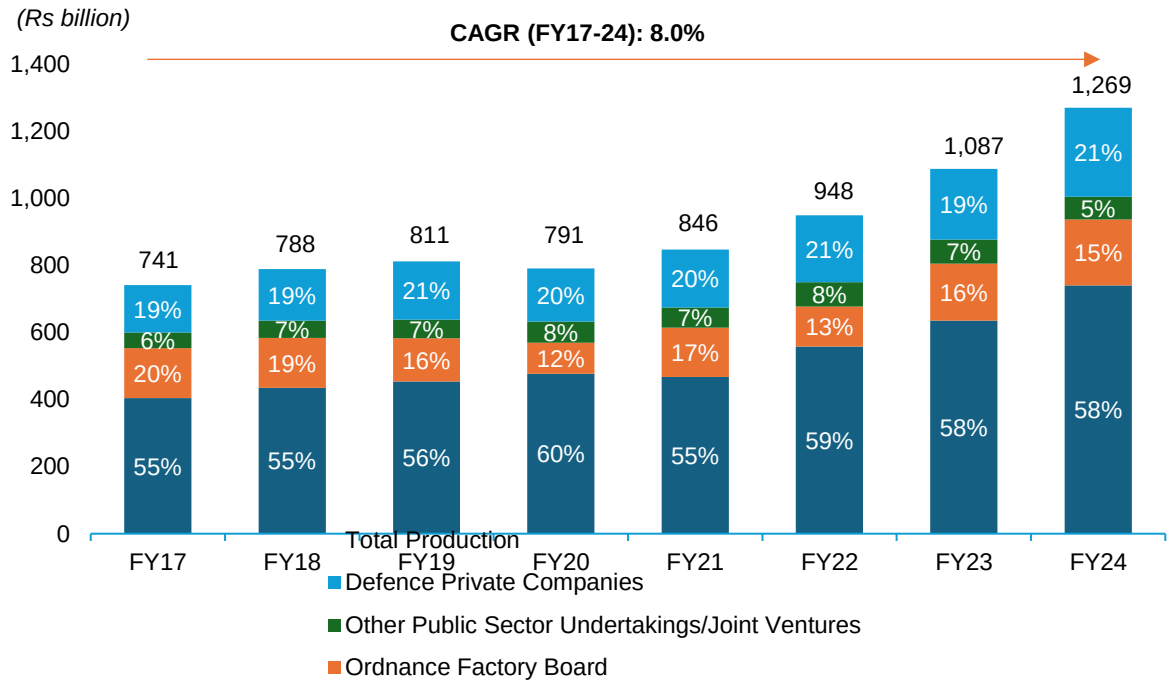
Defence production in India totalled Rs 1,269 billion in fiscal 2024, up at a CAGR 8.0% over fiscals 2017-24. The growth was supported by policy reforms like raising the FDI limit to 74% from 49%, DAP-2020 (which focuses on domestic procurement), PILs, simplification of industrial licensing, the iDEX scheme, SRIJAN portal, reforms in the offset policy, transfer of technologies, strong impetus on the private sector's involvement, and infrastructure development (defence corridors in Uttar Pradesh and Tamil Nadu). The government has set a target of $5 billion exports and corresponding $22 billion defence production by 2025. The capital expenditure (capex) planned by the DPSUs will also boost domestic

production.

Private sector in defence production

As of FY24, DPSUs held the largest share in the defence production at 58%, followed by private companies (21%), Ordnance Factory Board (OFB; 15%), and other PSUs/ JVs (5%).

Segment-wise share of total defence production in India



Source: MoD, CRISIL MI&A

Supported by policy support, the private sector has been growing at a slightly higher growth rate (9.4% over fiscals 2017-24) than DPSUs (9.0%). Over fiscals 2021-22, 85 new defence industrial licences were issued to the private sector. As of April 2023, the government has issued 606 industrial licences to 369 companies operating in the defence sector. Validity of the licences has been increased from 3 years to 15 years. PILs have opened new avenues of defence production for private companies and widened their scope to capture market share. In fiscal 2024, defence exports have reached an all-time high of $ 2.63 billion.

Key drivers in the defence industry

- **Geopolitical tensions:** India's strategic location and regional tensions with neighbouring countries, significantly influence defence procurement and development. The need for advanced defence systems to address these threats drives investment and innovation in the sector.

- **Modernization and Self-Reliance:** The Indian government has prioritized modernizing the armed forces and reducing dependence on foreign defence equipment manufacturers. This push towards self reliance is guided by "Make in India" initiative, which aims to boost domestic manufacturing and technology development in defence.

- **Private sector participation:** The increasing participation of the private sector companies in defence production and research is transforming the industry. The Indian government has opened more opportunities for the private firms to participate in defence contracts and projects. Additionally, the government has banned the imports of some defence equipments which can

be procured locally thereby providing an opportunity for local firms to develop such critical technologies in the country.

- **Increasing focus on defence exports:** Defence exports are a crucial growth driver for the Indian defence industry, significantly impacting its economic, technological and strategic dimensions. By generating revenue through international sales, defence exports provide financial resources that support domestic projects and further R&D efforts. Defence exports foster strategic partnerships, enhancing India's geopolitical influence and regional stability. This growth area also contributes to job creation, infrastructure improvements and skill development, While government initiatives help streamline export processes and promote international market access. Collectively, these factors bolster the industry's global position and drive its overall expansion. In FY24 India exported a record Rs. 210.83 billion worth of defence products registering a growth of 32.5% over FY23. The exports have grown by 31 times in the last 10 years as compared to FY14. In addition, there has been a rise in the number of export authorisations issued to the defence exporters during FY24. From 1,414 export authorisations in FY23, the number jumped to 1,507 in FY24.

Key risks and challenges impacting the defence industry in India

- **Complex procurement:** The complex procurement process in the Indian defence industry impacts its efficiency and overall effectiveness. The process generally involves multiples levels of approvals from various government departments and agencies, each with its own set of requirement and timelines.

- **Budget constraints:** Although the defence budget is substantial, it often faces constraint due to competing national priorities such as social welfare, infrastructure, and economic development. This budgetary pressure can lead to limited financial resources allocated for defence modernization and procurement, constraining the acquisition of advanced technologies and the upgrading of existing systems.

4. Assessment of Elevator and Escalator industry in India

4.1. Overview

An elevator is a vertical transportation system commonly used in buildings to move people and goods between different floors efficiently. It is essential in high-rise structures, ensuring quick and convenient access. On the other hand, escalators provide both vertical and horizontal movement, utilizing moving staircases and walkways, making them ideal for high-traffic areas like shopping malls and airports.

The elevator and escalator market in India encompasses both new installations and existing systems undergoing maintenance or modernization.

Major types of elevators and escalators

Elevators

Passenger elevator

- A passenger elevator is an elevator designed to transport people within a building. These elevators can differ significantly in size, speed, and interior features based on their intended purpose.

Service elevator

- A service elevator is commonly found in commercial buildings and is used by employees to transport goods, such as housekeeping staff moving cleaning carts in a hotel. In hospitals, these elevators are also used to move patients on hospital beds. To meet code requirements, service elevators are generally sturdier and deeper than standard passenger elevators, allowing them to accommodate larger items throughout the building..

Freight elevator

- Designed for heavy-duty use, freight elevators are built to transport massive loads, including vehicles and cargo, within industrial settings. Unlike passenger elevators, they are not intended for human transport and are constructed to endure harsher operating conditions

Dumbwaiter

- A dumbwaiter is a small freight elevator. It is often used for the transport of food in restaurants.

Source: CRISIL MI&A

Vertical Escalator

- An escalator is a power-driven, continuous moving stairway intended to transport passengers up and down short vertical distances.

Moving Walkway

- A moving walkway also known as an autowalk, travellator, or travelator, is a horizontal conveyor belt that transports people. They are similar to escalators, but they transport people over long distances at a slower speed.

Source: CRISIL MI&A

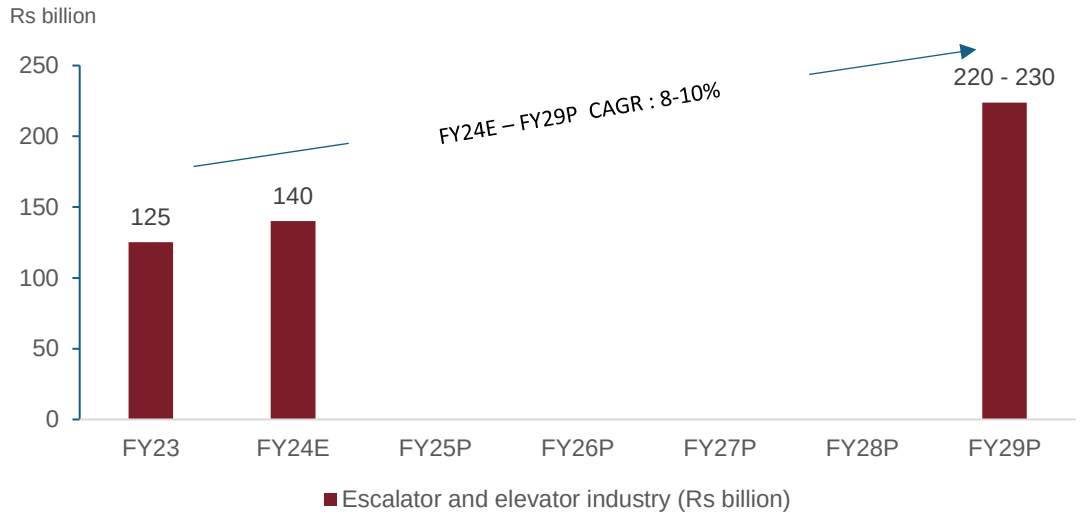
Elevator and escalator industry is expected to grow by 8-10% between fiscal 2024 and 2028

In 2024, the Indian elevator and escalator market is estimated to have grown by ~12% to reach Rs 140 billion. This growth is largely driven by the increasing demand from residential real estate construction.

Going ahead, the industry is expected to grow at a 8-10% CAGR from 2024 to 2028. The growth of the elevators and escalators industry in India is driven by rapid urbanization, increasing high-rise residential and commercial buildings, and government initiatives like Smart Cities and affordable housing projects. The rise in infrastructure development, including metro stations, airports, and malls, further boosts demand.

Furthermore, the growing focus on modernizing existing systems also contributes to market expansion.

Indian elevator and escalator industry



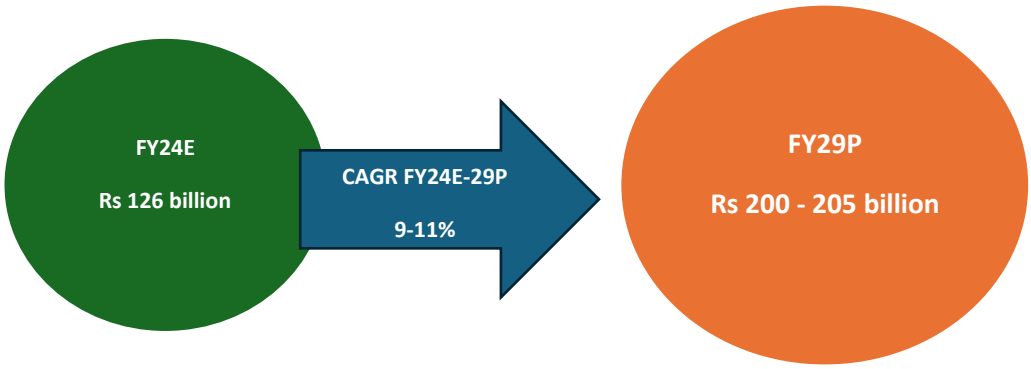
Note: E: Estimated. P : Projected
Source: CRISIL MI&A

Elevators occupy the larger share in the overall industry in value terms

Elevators dominate the elevator and escalator industry due to their widespread use across various sectors. As of fiscal 2024, elevators are estimated to occupy 90% of the industry. While escalators are mostly found in commercial spaces like malls and transit hubs, elevators are essential in residential, healthcare, hospitality, and industrial settings. They efficiently transport both people and goods, especially in high-rise buildings, and are crucial for accessibility and fast movement in places like hospitals.

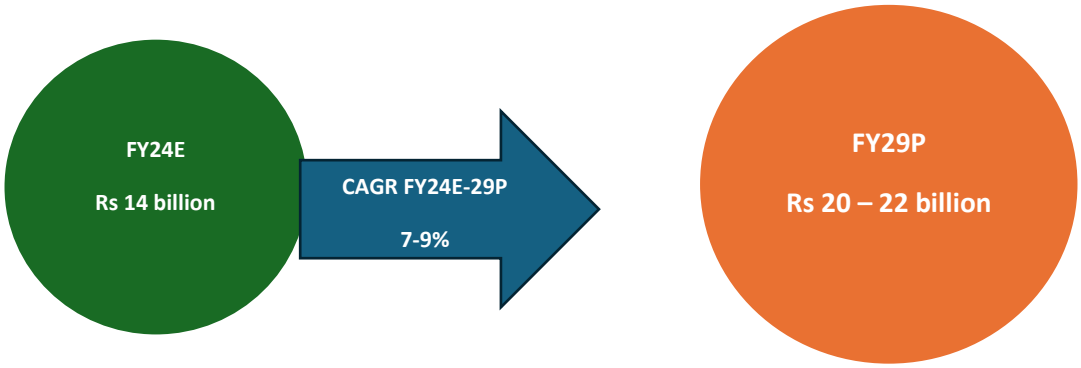
Moreover, elevators offer more flexibility escalators. Escalators are limited to shorter vertical distances, while elevators can handle tall buildings and heavy loads, making them ideal for both commercial and industrial environments. Their ability to be customized for specific needs, such as freight or service elevators, is further reflected in market share.

Overview of elevators industry



Note: E: Estimated., P: Projected
Source: CRISIL MI&A

Overview of escalator industry



Note: E: Estimated., P: Projected
Source: CRISIL MI&A

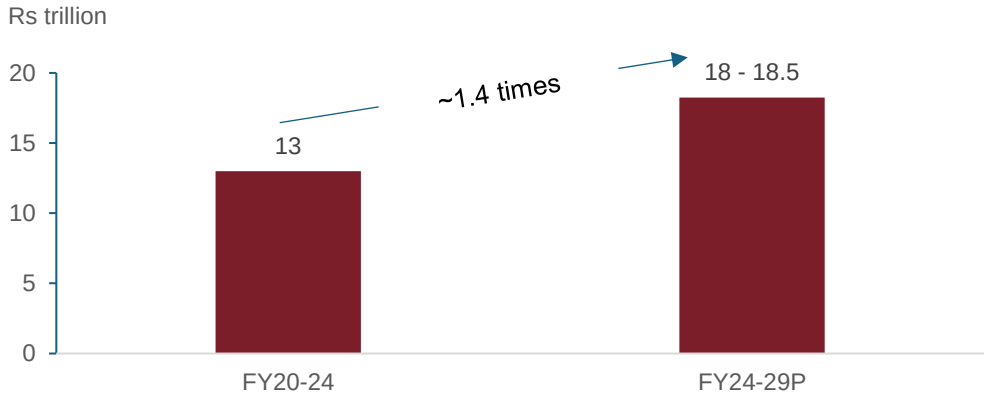
4.2. Key growth drivers, trends and challenges in the industry

Rise in building construction investments to propel the industry growth

The rising investment in building construction, particularly in urban areas, aids in boosting the elevator and escalator industry. As cities expand vertically to accommodate growing populations and limited land, demand for high-rise residential, commercial, and office buildings surges. These buildings require efficient vertical transportation systems, driving the need for elevators and escalators. Furthermore, modernization projects in aging structures and the construction of infrastructure such as shopping malls, airports, and metro stations are contribute to the growth.

During the medium term, between fiscals 2025 and 2029, the investments in building construction are expected to rise to Rs 18-18.5 trillion from an investment of Rs 13 trillion between fiscals 2020 and 2024 thereby showing a rising ~1.4 times. This growth also necessitates the need for elevators and escalators bolstering the industry demand.

Investments in building construction industry

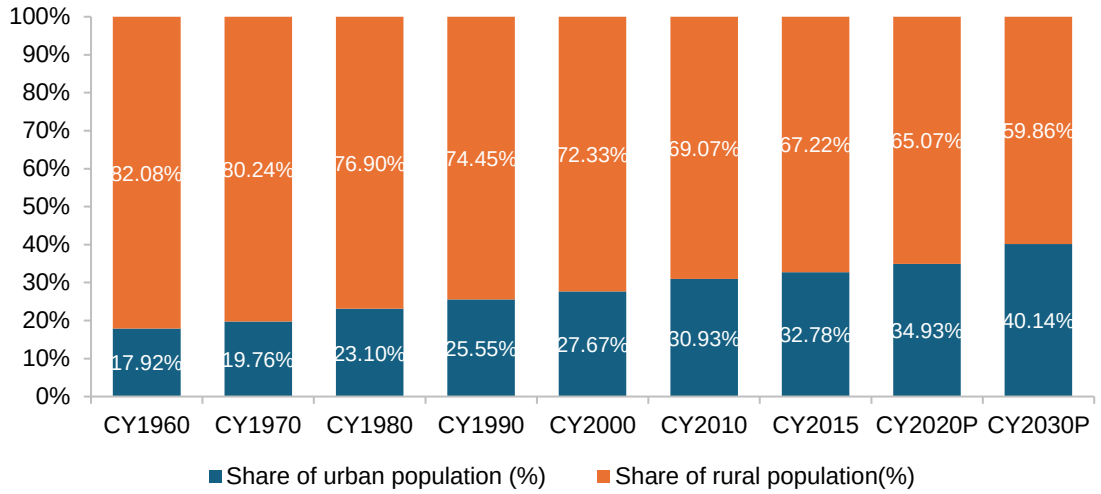


P: Projected
Source: CRISIL MI&A

Growth in population and urbanisation to aid the industry growth

As more people migrate to cities in search of better economic opportunities, urban areas are experiencing increased demand for high-rise residential and commercial buildings. This vertical growth necessitates efficient transportation systems within buildings, making escalators and elevators essential. The growing need for space optimization and quick, convenient mobility in densely populated areas further accelerates the demand for these systems.

India's urban vs. rural population (% share)



P: projected
Source: World Urbanization Prospects: The 2018 Revision, UN, CRISIL MI&A

Government initiatives

Government initiatives like the Smart Cities Mission and Pradhan Mantri Awas Yojana (PMAY) are playing a crucial role in driving market growth, particularly in the construction and real estate sectors. The Smart Cities Mission focuses on modernizing urban infrastructure, making cities more efficient, sustainable, and livable through the use of technology and smart solutions. As part of this initiative, the development of public spaces, and transportation networks often includes the need for elevators and escalators to improve mobility and accessibility.

On the other hand, PMAY is aimed at providing affordable housing to millions of people across India. The program targets both urban and rural areas, encouraging the construction of housing projects that require modern facilities. As these housing developments grow, the demand for elevators, especially in multi-story buildings, rises. Together, these programs stimulate an increase in construction activities, further driving the need for elevators and escalators.

Development of Innovative technologies

Manufacturers are focused on creating innovative technologies to differentiate their products and stay competitive. Smart elevators, equipped with advanced hardware and software, are the next step in vertical transportation. These systems enhance efficiency and user experience by integrating features like real-time monitoring and automated control. As buildings grow taller, elevator speed becomes crucial to reduce waiting times, especially in high-rises. Future projects such as 'housing for all' and smart city developments will require taller buildings and more efficient mobility solutions, emphasizing the need for ongoing advancements in elevator technology.

Maintenance and Safety Regulations

One of the major challenges in the elevator and escalator industry is ensuring compliance with safety regulations. Elevators and escalators are crucial for vertical transportation in buildings, and their failure can lead to serious accidents or disruptions. Adhering to varying regional safety standards adds complexity, as companies must continuously update their practices to meet local regulations. Further, maintenance challenges, including cost and complexity, are significant obstacles. Identifying aging equipment and non-compliant products is vital, but the associated costs being high acts as a challenge for the industry.

4.3. Key government regulations and policies governing the industry

In India, the installation and operation of elevators and escalators are subject to a range of regulations and policies. The Bureau of Indian Standards (BIS) plays a key role in setting national standards for elevators, outlining the types of lifts, recommended dimensions, technical specifications, and testing methods. Additionally, BIS provides a code of practice for the installation, operation, and maintenance of passenger, goods, and service lifts.

The Indian Standards (IS) 14665 and the National Building Code (NBC) of India 2016 offer guidelines for traffic analysis calculations, which determine the handling capacity and response time of elevators in different types of buildings. While BIS standards apply nationwide, Lifts Acts vary by state, with each state having its own set of rules and regulations governing lifts.

The primary focus of these regulations is safety, encompassing various aspects of lift design, installation, and maintenance to ensure that elevators are safe for passengers and comply with industry standards.

Notably, there are no regulations that specify a mandatory requirement for the number of lifts in a building.

5. Assessment of Induction motor and single phase motor industry in India

The induction motor and single-phase motor industry in India is integral to numerous sectors, including manufacturing, agriculture, and domestic appliances. Induction motors, are a preferred choice for industrial use due to their robustness, efficiency, and low maintenance needs. They are commonly used in equipment such as pumps, compressors, and various forms of industrial machinery. The growing pace of industrialization, infrastructure development, and automation in India has significantly driven demand for these motors, positioning the country as a key manufacturer in this space.

Meanwhile, single-phase motors are more commonly used in residential and smaller commercial applications, such as fans, home appliances, and small-scale machinery. This segment has witnessed growth due to increasing demand across regions, spurred by electrification efforts and the rise in energy-efficient appliances.

India’s motor industry is composed of both domestic companies and multinational corporations, offering a wide range of motors for both domestic consumption and export.

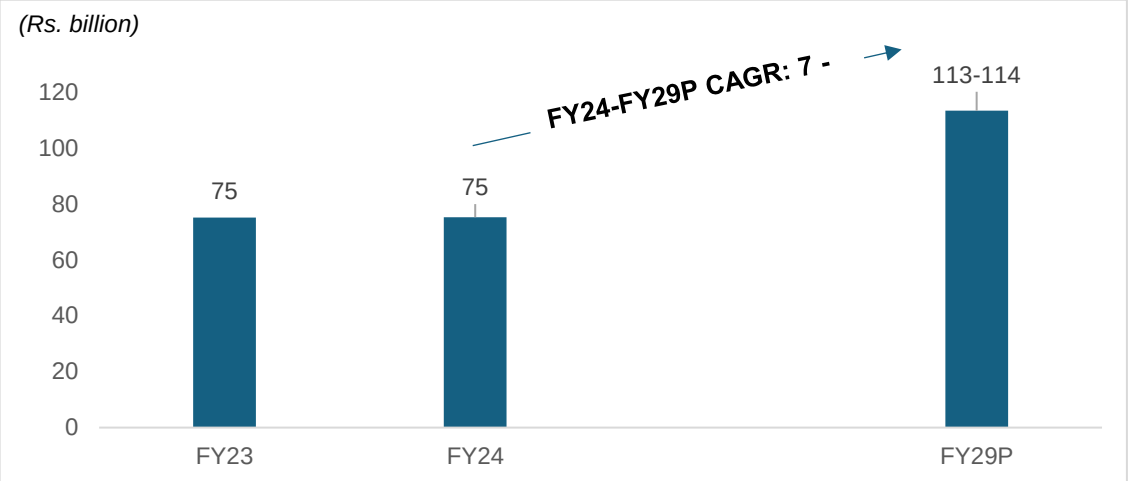
5.1. Overview of LT and FHP motor industry

Low tension (LT) motors are designed for low voltage applications making them suitable for industrial equipment’s like fans, pumps and compressors, as well as in commercial settings for driving machinery and HVAC systems. Fractional Horsepower (FHP) motors on the other hand, are used in applications needing less than one horsepower, such as household appliances like washing machines, refrigerators, and small machinery including ventilators and small pumps.

LT motor production in value terms has remained stagnant in FY24 increasing by 0.2% over FY23, this is mainly attributed to the higher base in FY23. The production value saw a considerable jump of more than 50% in FY22 owing to the pent-up demand and high raw material prices that arised due to supply chain disruptions.

From FY24 to FY29, CRISIL MI&A expects the LT motor production to increase at a CAGR of 7-9% and reach Rs. 113 – 114 billion in value in FY29. The growth is expected to be led by increased automation in the manufacturing sector and the focus of the companies in improving the manufacturing efficiency.

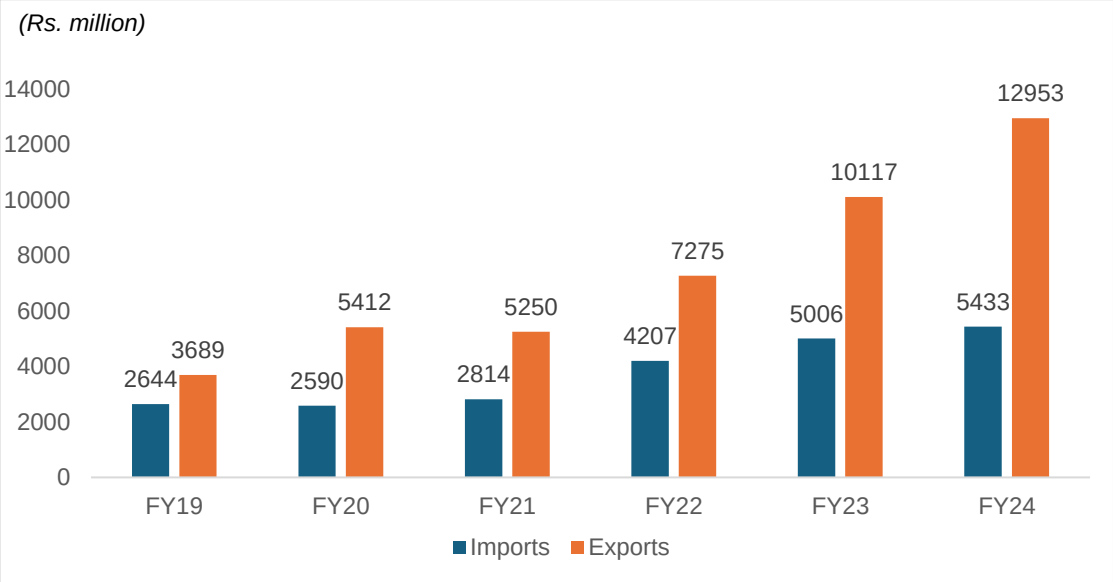
Low Tension (LT) motor production in India (FY23 – FY29P) (Rs billion)



Source: CRISIL MI&A

The export of LT motor which includes AC Squirrel cage induction motors and AC Slipring motors has increased at a CAGR of 28.6% from FY19 to FY24. The imports have risen at a CAGR of 15.5% during the same period.

Import-export data for LT motors (FY19-FY24) (Rs million)

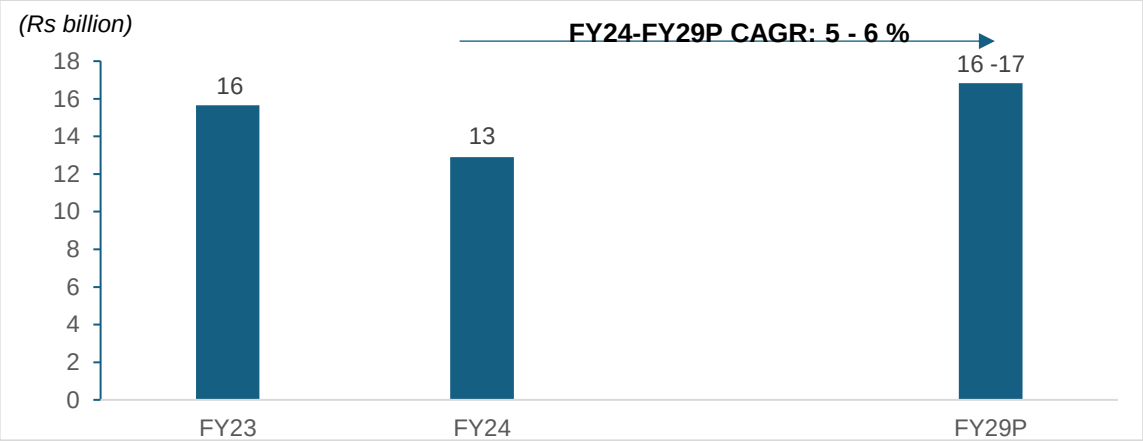


Note: AC Squirrel cage induction motors(HS Code – 85015110, 85015210 and 85015310) and AC Slipring Motors(HS Code – 85015120, 85015220 and 85015320) have been considered
Source: Ministry of Commerce, CRISIL MI&A

FHP motor production value expected to grow at a CAGR of 5-6% from FY24 to FY29P

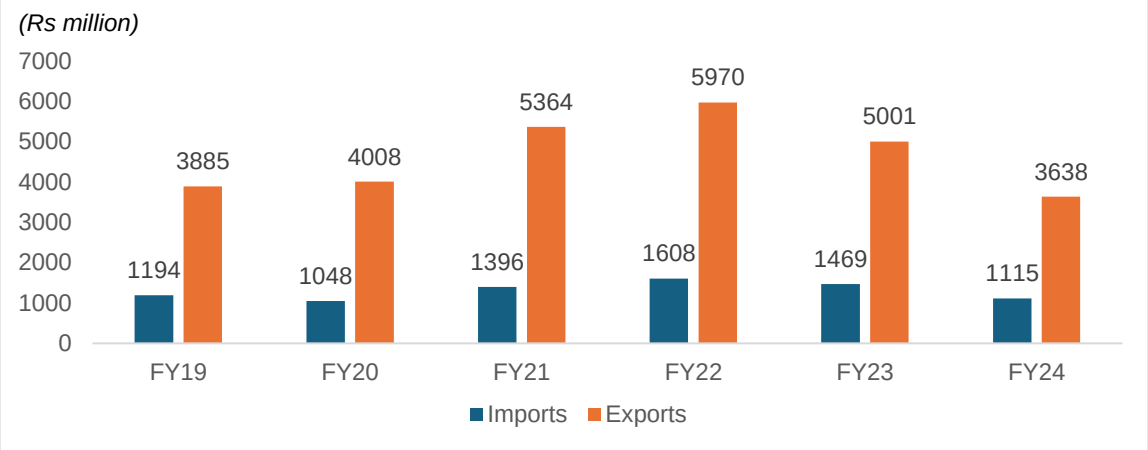
The FHP motor production is expected to grow at a CAGR of 5-6% from FY24 to FY29 to Rs. 16 – 17 billion in FY29.The growth is expected to be driven by household appliances, electronic systems etc. In FY24, the production has declined of 17.6% from Rs 16 billion in FY23 to Rs. 13 billion in FY24. This decline is mainly due to the high inventory held from the previous year.

Fractional Horsepower (FHP) motor production in India (FY23 – FY29P) (Rs billion)



Source: CRISIL MI&A

Import-export data for FHP motors (FY19-FY24) (Rs million)



Note: Other FHP motors (HS Code – 85014010) has been considered
Source: Ministry of Commerce, CRISIL MI&A

From FY19 to FY22, the FHP motors exports has grown at a CAGR of 15.3% to reach Rs 5,970 million. The huge increase in FY22 is attributed to the pent-up demand. From FY22 to FY24, the export have degrown at a CAGR of 21.9% to reach Rs 3,638 million in FY24. The imports have been range bound in the last six years topping at Rs 1,608 million in FY22.

5.2. Overview of key trends, drivers and challenges impacting the L.T Induction and FHP Motor segments in India

The growth in the Indian induction motor industry has been by increased consumption by the end use sectors and trend is expected to continue in the medium term backed by the following:

- **Industrial Sector:** Use cases across the industrial sector including machinery and equipment is expected to support demand in the coming years. The GVA (Gross Value Added) at current prices from manufacturing activities has grown at a CAGR of 8.7% supporting demand from manufacturing sector including machinery and equipment.

Manufacturing GVA Trend (In current prices, Rs Billion)

2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	CAGR
14,100	**15,728**	**17,135**	**18,784**	**21,462**	**23,337**	**25,666**	**28,126**	**27,051**	**28,035**	**33,926**	**35,365**	8.7%

Source: MoSPI, CRISIL MI&A

- **Consumer electronics:** L.T and FHP motors are used in various applications in the consumer electronics sector in India. Consumer electronics including air conditioners, washing machines among other consumer electronics are expected to drive demand in the medium term. Additionally, rising share of demand for higher energy efficiency is further driving demand for induction motors.

Trend in key home appliances categories supporting demand:

Appliance category	2020-21	2023-24	CAGR (FY21-24)
Room Air conditioners (units in Millions)	4	7	21%
Refrigerator (units in Millions)	11.2	14.9	10%

Source: CRISIL MI&A

- **Support from government initiatives and other key end use industries:** Government initiatives such as make in India is expected to support manufacturing across sectors driving demand for LT and FHP motors. Additionally, rising demand from automotive sector including electric vehicles is expected to aid demand over the medium to long term.
- **Fluctuation in raw material prices remains a key challenge:** The L.T Induction and FHP Motor production price is dependent on key input raw materials. Upward fluctuations in raw material prices may impact the unit price and in result the demand dynamics

5.3. Overview of solar pump industry in India

Solar pumps are an innovative and eco-friendly solution that harnesses solar energy to power water pumps, primarily used fort irrigation and water supply. These pumps operate on photovoltaic technology, converting sunlight into electricity- to draw water from the ground or other sources. They offer a sustainable alternative to conventional diesel or electric pumps, significantly reducing operating costs and environmental impact.

In India, the solar pumps industry has witnessed rapid growth, driven by the need for sustainable irrigation solutions and the country's push toward renewable energy. With over 50% of India's population dependent on agriculture, solar pumps have become a viable alternative, especially in regions lacking reliable power supply. Government scheme like the Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan (PM-KUSUM) scheme have further accelerated adoption by offering subsidies to farmer. As a result, the industry is playing a critical role in reducing carbon emissions, enhancing water access and promoting rural economic development

PM KUSUM scheme

The Government launched PM-KUSUM scheme in March, 2019, which has been scaled-up in January 2024 with the objective to provide energy and water security to farmers, enhance their income, de-dieselize the farm sector, and reduce environmental pollution.

The following are the three components under the PM-KUSUM scheme benefiting the farmers:

- Component-A: Farmers can set-up Decentralized Ground/ Stilt Mounted Grid Connected Solar or other Renewable Energy based Power Plants on their land up to the capacity of 2MW. The Renewable Energy Power Plant (REPP) can be installed by the farmers on their own land either directly by themselves or in partnership with group of farmers/ cooperatives/ panchayats/ Farmer Producer Organisations (FPO)/Water User associations (WUA), or through a developer. The renewable power generated from these power-plant is purchased by DISCOMs at the pre-fixed levelized tariff. In case farmers lease their land to the developer they are also eligible for lease rent. As on 31st August 2024, Component-A has a total sanctioned capacity of 9,110 MW and a total installed capacity of 292.33MW

  DISCOM are eligible to get a Performance Based Incentive (PBI) @ Rs. 0.40 per unit purchased or Rs. 6.6 lakh per MW of capacity installed, whichever is less, for a period of five years from the Commercial Operation Date. The DISCOMs can, if they desire so, pass on the PBI given to

them by the Central Government under this component, to the REPP owner to get a more competitive tariff of RE Power.

- Component-B: Under this Component farmers can install the Stand-alone Solar Agriculture Pumps for irrigation. The Government provides the Central Financial Assistance (CFA) of 30% (or 50% for North Eastern Region/Hilly region/Islands) for the stand-alone solar Agriculture pump. Individual farmers will be supported to install standalone solar Agriculture pumps of capacity up to 15 HP in off-grid areas, where grid supply is not available. As on 31st August 2024, Component-B has total sanctioned standalone pumps of 13,42,327 and total installed standalone pumps of 4,64,843.

- Component-C: This Component enables solarisation of grid-connected Agriculture Pumps under its Individual Pump Solarisation (IPS) mode & also Feeder Level Solarisation (FLS) of agricultural load. The Government provides the Central Financial Assistance (CFA) of 30% (or 50% for the North Eastern Region/Hilly region/Islands) under Component-C for both IPS & FLS. This enables the farmers to access day-time assured solar energy. Individual farmers having grid connected agriculture pump will be supported to 137olarize pumps. Solar PV capacity up to two times of pump capacity in Kw is allowed under the scheme. The farmer will be able to use the generated solar power to meet the irrigation needs and the excess solar power will be sold to DISCOMs. As on 31st August 2024, Component-C has a total sanctioned individual pump Solar- IPS of 1,71,640, total installed individual pump solar- IPS of 4,715, Total pumps sanctioned feeder level solar – FLS of 33,85,494 and total pumps solarised under – FLS of 18,546.

The total numbers of farmers benefited in the country through the PM-KUSUM scheme as on 30.06.2024 is 4,11,222. Under the Component-B and Component-C of the PM-KUSUM scheme, Government of India provides the Central Financial Assistance (CFA) of 30% (or 50% for the North Eastern Region/Hilly region/Islands) for the installation of the Standalone agriculture pumps and solarisation of the grid-connected agriculture pumps.

6. Overview of steel industry in India

6.1. Overview of steel industry

Alloyed and non-alloyed steel

These are two fundamental categories within the broader spectrum of steel materials, each possessing distinct properties, applications and manufacturing processes.

Non-alloyed steel, often referred to as carbon steel, is primarily composed of iron and carbon, with trace amounts of other elements. Carbon steel is known for its strength, hardness, and affordability, making it suitable for a wide range of applications, including structural components, machinery parts and automotive components. Its versatility and ease of fabrication have contributed to its widespread use across various industries.

In contrast, alloyed steels contain additional alloying elements beyond carbon, such as chromium, nickel, manganese, and molybdenum, among others. These alloying elements are added to modify steel's properties, such as strength, hardness, corrosion resistance and heat resistance, to meet specific application requirements. Alloyed steels can be further categorised into several subtypes based on their composition and intended use, including stainless steel, tool steel, and high-strength low-alloy (HSLA) steel.

Stainless steel, for example, is alloyed with chromium and often nickel to enhance corrosion resistance and provide a lustrous appearance. It is commonly used in applications requiring resistance to corrosion, such as kitchen utensils, cutlery, and medical instruments. Tool steel, on the other hand, is alloyed with elements, such as tungsten, vanadium and cobalt, to improve wear resistance, toughness and heat resistance, making it suitable for cutting, drilling and forming tools. HSLA steel is alloyed with elements, such as niobium, titanium and copper, to enhance strength and toughness while maintaining weldability

and formability, making it ideal for structural and automotive applications.

Finished steel products

Flat and long steel products are essential components of the global steel industry, serving diverse applications across various sectors, including construction, automotive, manufacturing, infrastructure and engineering. These products are manufactured through a series of processes, including rolling and finishing, resulting in a wide range of shapes, sizes and specifications tailored to meet specific customer requirements.

Flat steel

Flat steel products are characterised by their flat and thin shape, making them ideal for applications requiring strength, durability and surface quality. One of the major flat steel products is hot-rolled coils (HRCs), which are produced by hot rolling steel slabs or billets at high temperatures, followed by rapid cooling. HRCs are widely used in structural applications such as buildings, bridges and pipelines, as well as in the manufacturing sector for machinery parts, automotive components and appliances.

Another important flat steel product category is cold-rolled coils (CRCs), which are produced by cold-rolling HRCs to achieve smoother surface finish, tighter dimensional tolerances and improved mechanical properties. CRCs are commonly used in applications requiring superior surface quality and dimensional accuracy, such as automotive body panels, electrical enclosures and consumer goods.

Hot-dip galvanised (HDG) sheets are CRCs coated with a layer of zinc through a hot-dip galvanising process. This coating provides corrosion resistance and durability, making HDG sheets suitable for outdoor structures, roofing, fencing and automotive components. In addition, coated steel products such as galvanised and galvannealed sheets offer enhanced corrosion protection and are widely used in construction, infrastructure and manufacturing sectors.

Long-steel (non-flat steel)

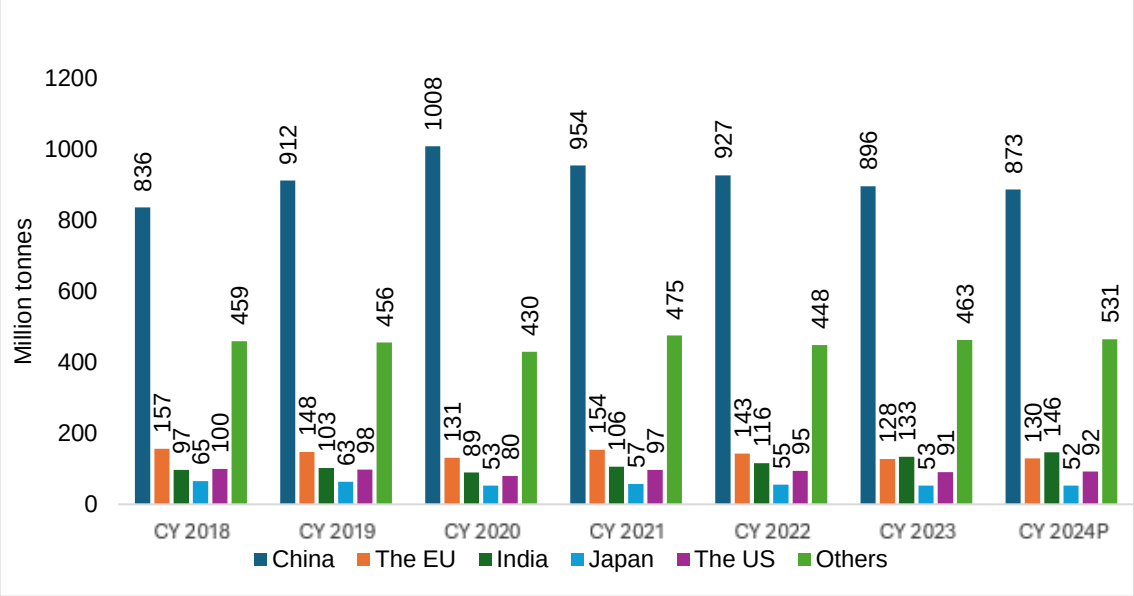
Long steel products, characterised by their elongated shape, play a critical role in various industries, including construction, infrastructure, manufacturing and engineering. These products are manufactured through processes such as steelmaking, casting, rolling and finishing, resulting in a diverse range of shapes, sizes and specifications tailored to meet specific customer requirements.

One of the most common long steel products is reinforcement bars (rebars), which are widely used in construction projects to reinforce concrete structures and provide tensile strength. Rebars are typically made from carbon steel and have a ribbed surface to improve bonding with the concrete. They come in various grades, sizes and configurations to meet different structural requirements. For example, high-strength rebars are used in seismic zones or high-rise buildings, while epoxy-coated rebars offer corrosion resistance in harsh environments.

Wire rods are another essential long steel product category with a circular cross-section, typically produced from low-carbon steel billets through hot rolling. They serve as feedstock for various wire products used in construction, manufacturing and automotive industries. They are drawn through a series of dies to reduce their diameter and improve surface finish, producing wires of different gauges and properties. Wire products manufactured from wire rods include wire ropes, nails, screws, fences, cables, springs and wire mesh, among others.

Structural sections, also known as structural steel shapes, are long steel products used in a wide range of structural applications. They include beams, channels, angles and rails. Beams, also called I-beams or H-beams, are characterised by their H-shaped cross-section and are commonly used in building construction for framing and supporting structures. Channels, with a C-shaped cross-section, are used for similar purposes as beams but offer different load-bearing characteristics. Angles are L-shaped structural steel sections used for bracing, framing and decorative applications. Rails, on the other hand, are long steel sections used in railway tracks to provide support and guidance for trains, ensuring safe and efficient transportation of goods and passengers.

Global steel consumption (CY2018-2024)



**2024 numbers are projected*
CY means Calendar Year
Source: WSA, CRISIL MI&A Research

Global finished steel consumption growth (2018-2024)

Global demand growth %	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024*P
Total	5%	4%	1%	3%	-4%	-1%	0-0.5%
China	8%	9%	11%	-5%	-3%	-3%	-3.0%
The EU	-4%	-6%	-12%	18%	-10%	-11%	1%
India	9%	6%	-13%	19%	8%	15%	9-10%
Japan	2%	-3%	-17%	9%	-4%	-3%	0%
The US	2%	-2%	-18%	21%	-3%	-4%	2%
Others	3%	-1%	-8%	12%	-6%	3%	3%

**2024 numbers are projected*
CY means Calendar Year
Source: WSA, CRISIL MI&A Research

According to WSA, global finished steel consumption declined 0.29% on-year to 1,763 MT, on a 1% slowdown in demand in Europe due to the impact of geopolitical uncertainty, inflationary pressures and above-average energy prices on end-user segments. There was a 4% demand squeeze in major economies such as the US and Japan due to recessionary pressures, labour shortage and cost pressures. Demand in China, which has a major share in global steel demand, too, was less than expected and fell 3% due to the country's ailing property sector. However, Indian demand grew 16% on-year with robust demand from allied sectors. Over 2018-2023, finished steel consumption grew at a 0.5% CAGR.

Indian steel demand growth has outpaced the global demand growth rate for the last five years, it is expected to grow at more than 3x the global steel demand growth rate in the next five years.

Outlook

Global steel consumption is likely to increase 1-2% on-year in 2024 as demand growth rates in the US and the European Union (EU) are expected to be positive. In the EU, the effects of geopolitical uncertainty, inflation and energy prices are expected to subside in 2024 and steel demand is expected to improve in the second half of 2024. Also, the US Federal Reserve is expected to announce a series of interest rate cuts this year that could help revive the housing sector. Various policies promoting clean

infrastructure projects will drive demand after two years of de-growth.

The revival of China's property sector will hinge on the government's actions. The results of a series of stimulus announcements announced in 2023 are expected to emerge this year. India's consistent healthy growth rates make it stand out among its global peers. With moderation in segmental growth, demand is expected to grow 6-7% on-year in 2024.

Crude steel per capita consumption (finished steel products)

in kg	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023
China	590	641.3	707.6	669	645.8	628.3
The US	300.4	291.9	238.2	288	279.4	266.3
India	70.7	74.2	64	75.5	81.1	93.4
Japan	518.1	502.5	420.3	460.7	443.6	432.5
Russia	283.7	298.6	290.6	302.7	288.3	309.1
South Korea	1039.3	1027.5	948.9	1081.2	988	1056.6
World	223.2	229.2	228.4	233	221.8	219.3

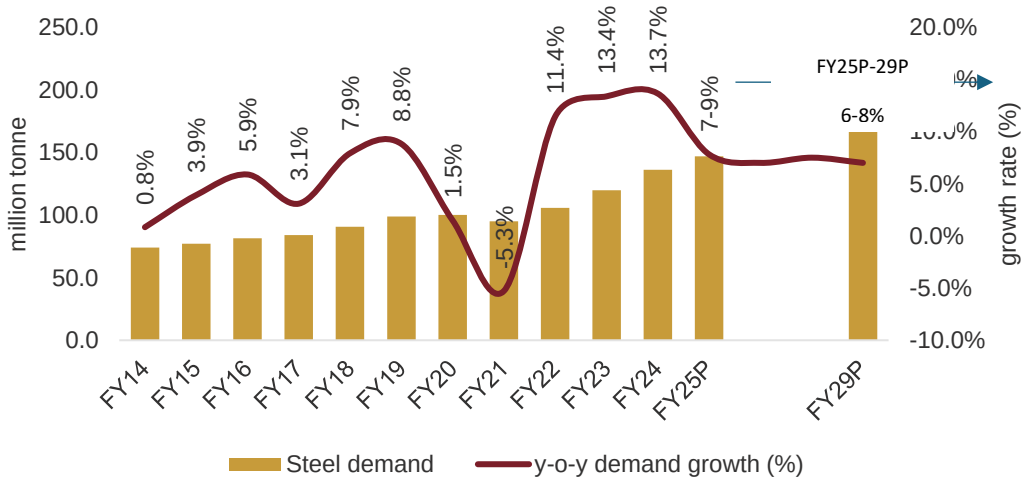
CY means Calendar Year
Source: WSA, CRISIL MI&A Research

South Korea, a developed country with high per capita income, had the highest per capita steel consumption of 1056.6 kg in 2023 amongst the major steel consuming nations, due to its enormous automobile and ship building sectors. It has surpassed China and Japan, which are major steel producers, in terms of per capita consumption of steel.

Currently, India’s per capita consumption of steel, a key developmental indicator, is still significantly small compared with developed countries. India had the lowest per capita steel consumption of 93.4 kg in 2023, a rise from 75.5 kg in 2021. India’s low steel per capita consumption is due to its lower per capita income. However, the National Steel Policy aims to increase per capita consumption of steel to 160 kg by 2030, which indicates a positive outlook for the domestic steel industry.

6.2. Overview of Indian steel industry

Domestic steel demand – review and outlook
Steel demand – review and outlook



Source: JPC, Crisil MI&A Research

Domestic steel demand grew at a healthy CAGR of 6.7% between fiscals 2019 and 2024 despite the pandemic impact, wherein domestic demand momentum declined to 1% in fiscal 2020 and -5% in fiscal

2021.

In the post-pandemic era, rapid recovery due to pent-up demand and increased government spending on infra and related sectors led to three consecutive years of double-digit demand growth. Demand rose 11.4% in fiscal 2022, 13.4% in fiscal 2023 and 13.7% in fiscal 2024. While growth momentum is expected to moderate in fiscal 2025 to 7-9%, it should remain above the decadal average at a 6-8% CAGR over fiscals 2025 to 2029.

Fiscal 2023 was a volatile year for the commodity market due to supply-chain disruptions induced by geopolitical uncertainty, leading to prices of coking coal, iron ore, pig iron and steel rallying to new highs. The effect of elevated prices directly impacted procurement decisions among end-use segments in the first quarter of fiscal 2023. To control soaring steel and raw material prices, the Government of India imposed export duty on steel and its raw materials in May 2022. Consequently, export volumes declined from 13.5 MT to 6.7 MT. Demand from the automobile sector was robust across sub-segments. Sales increased 27% for passenger vehicles (PVs; crossed the pre-pandemic mark), 19% for two-wheelers, 12% for tractors and 34% for commercial vehicles (CVs). Post-monsoon demand revival and the festive season ensured demand growth, with the flat steel segment growing 16.6% and the non-flat steel segment increasing 10.6% during the year.

Fiscal 2024 experienced strong demand from allied sectors. Building, construction and infrastructure, which account for more than 60% of domestic steel demand, remained the key drivers due to increasing spending by central government on infra heavy sectors, ahead of elections. From April-December 2023, the central government's capital expenditure rose ~47% for road ministry and ~52% for railways compared with the same period the previous fiscal. Steel demand from the automobile sector also remained healthy. Steel demand from automobile sector moderated on a higher base of fiscal 2023 with PV and two-wheeler sales estimated to be 8.4% and 13.3%, respectively.

Fiscal 2025 outlook: Given the high base of fiscal 2024, demand momentum is expected to decline in fiscal 2025. Above long period average rainfall and general elections during the first half of the fiscal year had an impact on the construction activities and in turn on steel demand. As per the India Meteorological Department (IMD), the 2024 southwest monsoon rainfall (June to September) averaged 8% above the long-term average (LTA). Subsequent demand recovery in the third and fourth quarter will result in a cumulative demand growth of 7-9% in fiscal 2025.

Over the next five fiscals, i.e., fiscal 2025 to fiscal 2029, CRISIL MI&A Research expects steel demand to grow at a CAGR of 6-8%, well supported by end-use sectors and government spending and complemented by capacity addition by large integrated steel producers.

Major demand drivers for the steel sector

Based on end use, steel demand can be attributed to the following four major demand buckets for fiscal 2024:

- Infrastructure (30-35%)
- Building and construction (25-35%)
- Automobile (11-13%)
- Engineering, fabrication and others (25-30%)

Engineering, fabrication and others

This segment comprises a wide range of end-use sectors such as general engineering, capital goods, consumer durables, electrical goods, industrial bodies, and fabrication. According to CRISIL MI&A Research estimates, the sectors account for 25-30% of total steel demand. Cumulatively, growth in steel demand from the sub-segment is estimated to have been 10% in fiscal 2023, increasing to 13% in fiscal 2024. For fiscal 2025, in line with the anticipated slowdown in the overall demand growth rate, demand from engineering, packaging and others will increase 6-8%. Between fiscals 2025 and 2028, CRISIL MI&A Research expects the segment to clock a CAGR of 6-8%.

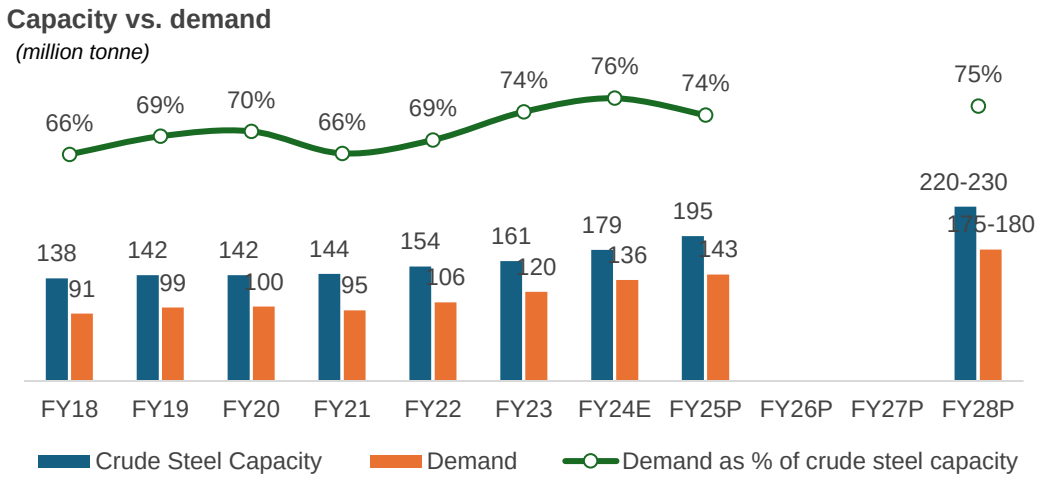
Indian steel capacity

As India's demand for steel is increasing, its steelmaking capacity is also expanding. Major integrated players have undertaken both brownfield and greenfield projects to expand capacities. This is also in line with the target of achieving 300 MT of operational crude steel capacities by fiscal 2031 under the National Steel Policy (NSP) 2017.

Capacity growth vs demand growth

Crude steel capacity over fiscals 2019-2023 logged 3.2% CAGR to reach 161 MT. By end-fiscal 2024, the capacity is estimated to have reached ~176 MT. This is expected to increase to 234 MT by fiscal 2028, clocking 7.8% CAGR.

Still, capacity additions will lag demand. Demand growth, which was higher than capacity growth over fiscals 2019-2023 (5.7% CAGR), is expected to continue to outpace capacity additions until fiscal 2028, logging an 8.1% CAGR.



Source: JPC, CRISIL estimates

The domestic steel industry grew rapidly in 2000s. However, there was a significant decline in global steel demand after the Global Financial Crisis of 2008, which eventually led to global overcapacity and resulted in a significant price fall and generation of some non-performing assets (NPAs) in the industry.

The domestic steel sector's struggle with NPAs became particularly pronounced around fiscals 2013-2016 when global steel prices plummeted and domestic overcapacity exacerbated financial stress. During this period, major steel companies such as Essar Steel and Bhushan Steel accounted for a significant portion of the sector's NPAs, reflecting the challenges of high operational costs and reduced market prices. It was at that time the government passed the Insolvency and Bankruptcy Code (IBC) to address and restructure the mounting bad debts of the banking sector. The law was aimed at streamlining debt resolutions and revitalise businesses by improving operational efficiencies and financial health. With the restructuring of the major steel NPAs and implementation of protective tariffs to shield domestic steel producers, the sector has seen gradual improvements in financial stability, paving the way for recovery and sustainable growth.

After their experience with high NPAs, steel makers have become more cautious about capacity expansions. Consequently, there was a notable slowdown in the pace of capacity additions between fiscals 2018 and 2021 — from 138 million tonne to 144 million tonne. The cautious approach prompted a more measured strategy towards growth to ensure financial sustainability and operational efficiency.

During this period, major players grew inorganically, strategically acquiring stressed assets, leading to a more concentrated industry landscape. The consolidation was facilitated by the IBC, which helped streamline the process of restructuring bad debts and enabled healthier steel companies to acquire

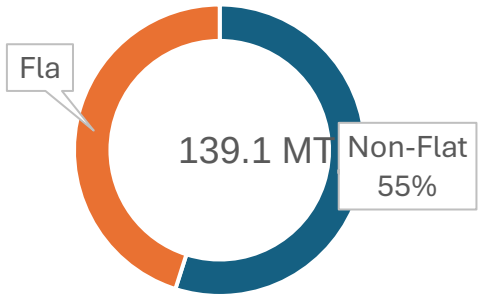
underperforming ones. Notable acquisitions include Tata Steel's acquisition of Bhushan Steel Ltd and JSW Steel's acquisitions of Monnet Ispat and Bhushan Power and Steel Ltd (BPSL). Additionally, the acquisition of Essar Steel by ArcelorMittal Nippon Steel JV marked a significant reshaping of the industry, with major global players entering the Indian market. These moves not only helped stabilise the industry by reducing excess capacity but also allowed dominant companies to leverage economies of scale and improve competitive positioning both domestically and globally.

Capacity expansion by integrated steel players

Indian steelmakers have a robust pipeline of capacity expansion across the steel value chain. They have started sourcing the key ingredient for production, iron ore, domestically which is cheaper than imports. This has worked in favour steelmakers, who enjoy a price advantage. To realise this advantage, many steel mills have planned expansions through the BF-BOF route. Although, this will sustain India's dependence on coking coal imports, procuring or sourcing steel scrap would be a bigger challenge, which is more conducive for EAF-based steelmaking.

Non-flat and flat-steel mix in domestic production

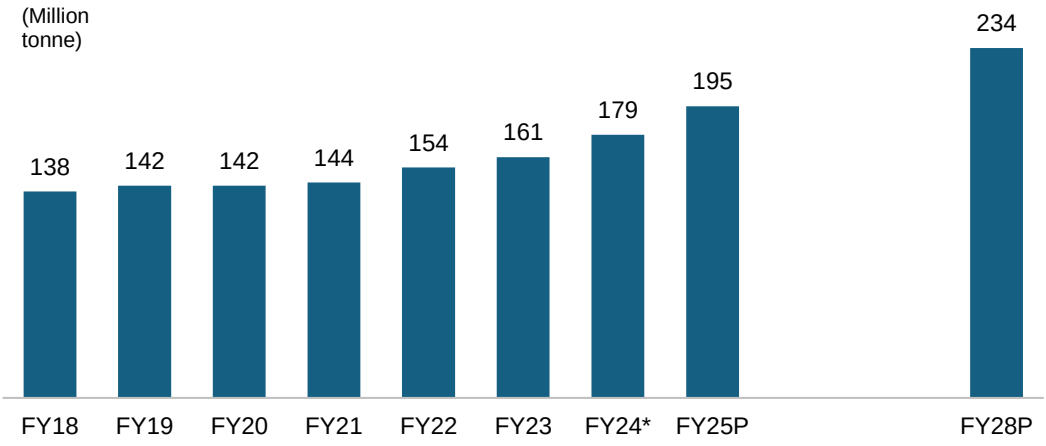
Non-flat (long) and flat steel production in fiscal 2024



Source: JPC, CRISIL MI&A Research

In fiscal 2024, 55% of the finished steel produced in India was non-flat steel and the balance 45% was flat. The share of the non-flat segment remained at ~52% on average between fiscals 2019 and 2024

Current crude steel capacity and expansion estimates



Source: JPC, Crisil Research

6.3. Finished steel production

Review and outlook

According to the Union Ministry of Steel, finished steel products are obtained after hot rolling/ forging of semi-finished steel (booms/ billets/ slabs). Finished steel products are classified into non-flat and flat products.

Indian finished steel production in fiscal 2023 was 123.2 MT. Between fiscals 2019 and 2023, the country's finished steel production logged ~5% CAGR (including pandemic-hit fiscals 2020 and 2021). Apart from domestic consumption, a small portion of the finished steel produced is also exported, mostly flat products.

As per the recent JPC report, finished steel production (provisional) in fiscal 2024 was 138.8 MT, up ~12.7% on year. Robust demand from end-user segments supported production.

Finished steel production and exports in percentage terms

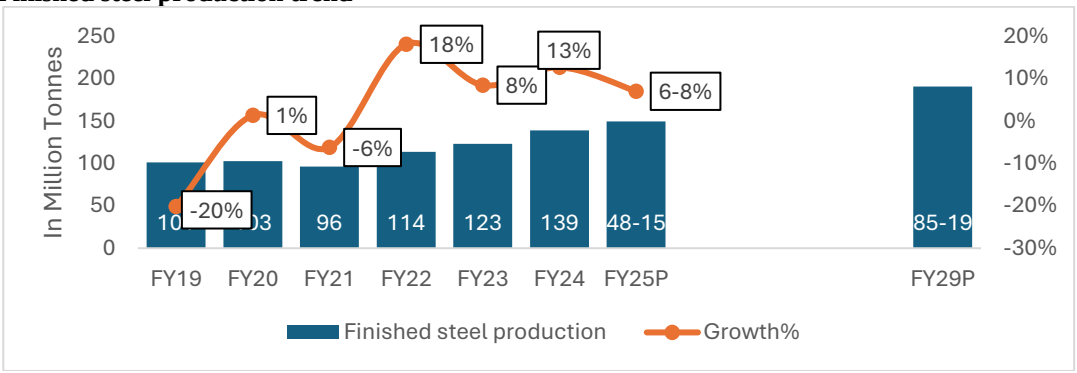


Source: JPC

Outlook: Increased government spending on infrastructure and related sectors boosted domestic demand 13.6% (provisional) in fiscal 2024. Finished steel production grew 12.7% on-year. With the share of exports on the lower side, domestic demand has played a vital role in driving production.

CRISIL MI&A Research expects finished steel production to log 6-8% CAGR between fiscals 2024 and 2029, with support from the allied sectors in the domestic market and government spending

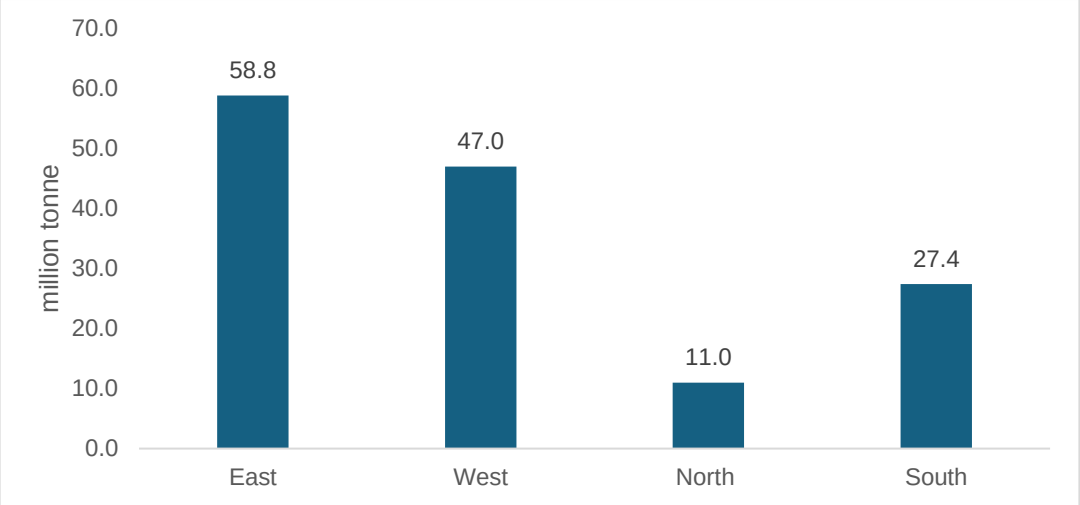
Finished steel production trend



Source: JPC, CRISIL MI&A Research

Region-wise finished steel production

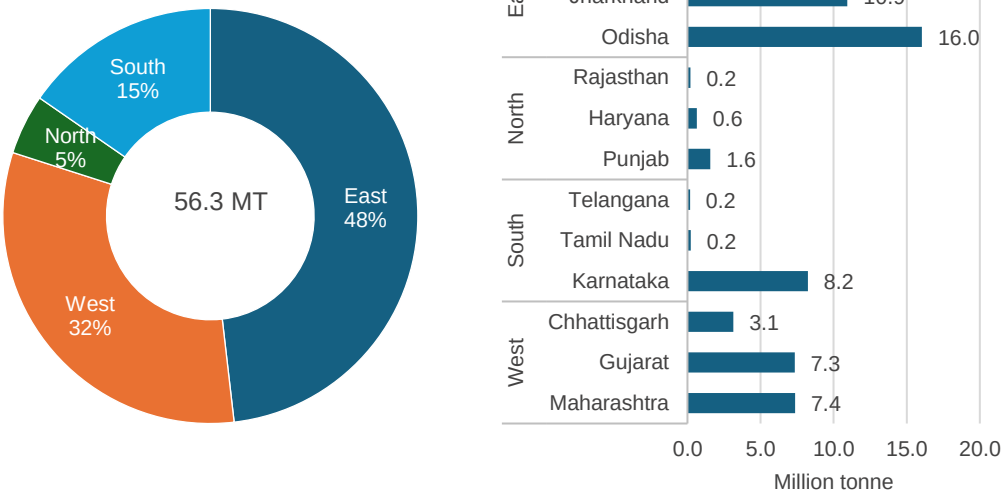
Finished steel production — region-wise in fiscal 2024



Source: JPC, CRISIL MI&A Research

In fiscal 2024, the eastern region accounted for 41% of the total domestic finished steel production. It was followed by the west (33%), south (19%) and the north.

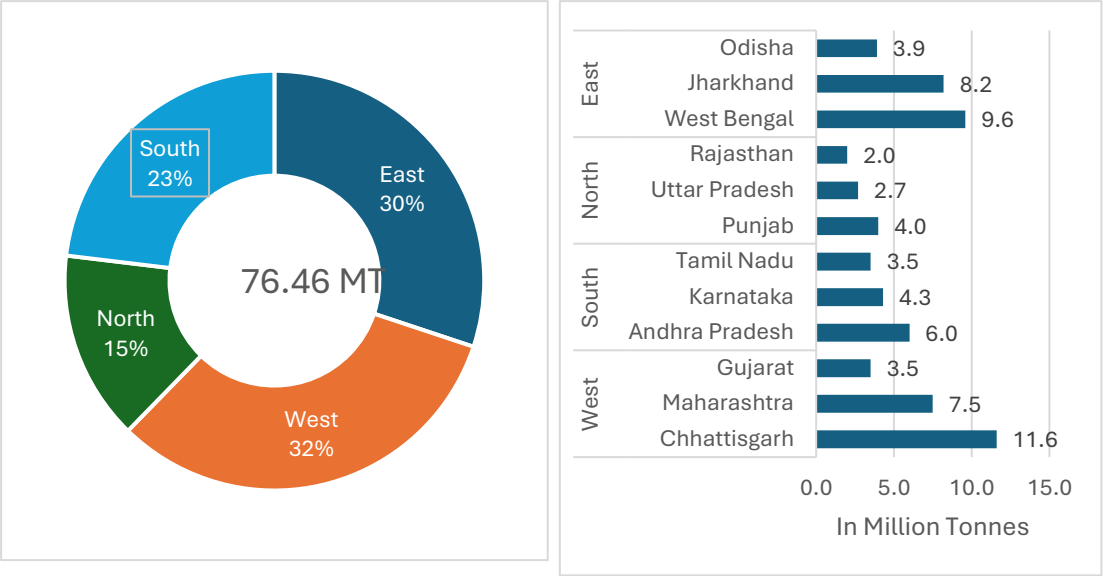
Region-wise flat steel production fiscal 2024



Source: JPC

In flat-steel production, the eastern region dominated with ~27 MT in fiscal 2024. It was followed by the western region ~18 MT. Among the states, Odisha was the top producer, followed by Jharkhand in the eastern region. It was followed by Karnataka in the southern region and Maharashtra and Gujarat in the western region

Region-wise non-flat (long) steel production in fiscal 2024



Source: JPC, CRISIL MI&A Research

In non-flat products, the western region dominated, producing ~24.5 MT in fiscal 2024. It was followed by the eastern region, producing ~23 MT. Among the states, Chhattisgarh was the top non-flat-steel producer, followed by Maharashtra in the west. In the east, West Bengal followed by Jharkhand were the major producers during the fiscal.

6.4. Government regulations and policies in the Indian steel sector

NSP 2017

The policy is an effort to steer the industry towards achieving its full potential and enhance steel production with a focus on high-end value-added steel while being globally competitive.

Vision: To develop a technologically advanced and globally competitive steel industry that promotes economic growth.

Key targets:

- Self-sufficiency in steel production by providing policy support and guidance to private manufacturers, MSME steel producers, central public sector enterprises and encourage adequate capacity additions
- Cost-efficient production and domestic availability of iron ore, coking coal and natural gas
- Increase per capita steel consumption to 160 kg by fiscal 2031
- Meet the domestic demand for high-grade automotive, electrical and special steel and alloys for strategic applications by fiscal 2031
- Increase domestic availability of washed coking coal to reduce the reliance of import on coking coal from ~85% to ~65% by fiscal 2031

PLI scheme

The Production Linked Incentive (PLI) Scheme for Specialty Steel was launched by the Indian government on July 22, 2021, with a financial outlay of Rs 6,322 crores. The scheme's primary objective is to boost the domestic production of high-quality, value-added steel, reduce dependency on imports, and enhance India's standing in the global steel market. By focusing on the specialty steel segment, the scheme encourages the production of steel with advanced properties, such as corrosion resistance and

high strength, which are vital for industries like defense, aerospace, and power generation.

To benefit from the PLI scheme, companies must meet specific investment and production thresholds. The scheme incentivizes domestic manufacturers through three slabs of incentives, which are tied to incremental production and capital investment. As of 2022, the government had received applications from 35 companies, and 67 projects were selected for participation, attracting over Rs 42,500 crores in investments. This initiative is expected to add 26 million tonnes of specialty steel capacity and create 70,000 jobs by 2030.

The scheme is part of the broader strategy to elevate India's steel sector, which has been growing rapidly. India has been the second-largest crude steel producer globally since 2018. However, there has been a notable gap in the production of specialty steel, which is critical for high-end applications. By promoting the domestic production of these advanced materials, the PLI scheme aims to position India as a global hub for specialty steel manufacturing.

Through this initiative, the government not only seeks to enhance the technological capabilities of the domestic steel sector but also to make it globally competitive. This focus on high-value steel products will help the country move up the value chain, ensuring that Indian manufacturers meet both domestic demand and increase exports to international markets.

In 2021, the PLI scheme for specialty steel was approved by the union cabinet with a five-year financial outlay of Rs 6,322 crore to promote the manufacturing of specialty steel. In 2022, 67 applications from 30 companies were selected with a committed investment of Rs 42,500 crore.

Steel import monitoring system

The Steel Import Monitoring System (SIMS) in India was launched by the Ministry of Commerce and Industry to track and regulate the import of steel products. This system, which became operational in 2019, requires importers to register their steel imports in advance and obtain a license before bringing steel products into the country. The purpose of SIMS is to monitor the quantity and quality of steel imports, ensuring transparency and providing crucial data for policy-making.

Importers must submit information regarding the steel products they intend to import, such as product description, country of origin, and quantity, through the SIMS online portal. This system helps the government keep track of imported steel, prevent any surge in low-quality or underpriced imports, and ensure that the domestic steel industry is not adversely affected by unfair trade practices. Additionally, SIMS assists in monitoring import trends, supporting India's broader aim of achieving self-sufficiency in steel production.

Steel and steel products (quality control) orders:

The Quality Control Orders (QCOs) for the steel industry in India are part of the government's broader initiative to ensure the production and importation of steel products that meet stringent quality standards. These orders are issued by the Ministry of Steel in accordance with the Bureau of Indian Standards (BIS) Act, 2016, and they require both domestic manufacturers and importers to adhere to the relevant BIS specifications for a variety of steel products.

The first significant notification for steel QCOs was issued in 2017, covering several essential steel products like billets, bars, rods, plates, and flat products. Over the years, additional QCOs have been notified, expanding the range of covered products. As of 2023, the QCOs cover more than 145 steel products, including alloy and non-alloy steels, galvanized products, and special steels used in critical industries such as construction, automotive, and infrastructure. The BIS marks are mandatory for all covered products, ensuring that only certified, high-quality steel can be manufactured, imported, or sold in the Indian market.

The implementation of QCOs follows a phased timeline. Typically, once a QCO is notified, the industry is given a transition period—usually six months—to comply with the BIS certification requirements. This allows manufacturers and importers to adjust their production or supply chains to meet the required

standards. Any steel products that do not meet the certification requirements after the given timeline are not allowed to be sold, used, or imported in India. Non-compliance may result in penalties, product recalls, or import restrictions.

In terms of scope, the QCOs apply to all producers, whether foreign or domestic, which helps ensure that substandard or low-cost steel does not undermine the quality and safety of infrastructure projects in India. These orders are regularly updated to include new categories of steel products, reflecting the evolving needs of the industry and government objectives related to the "Atmanirbhar Bharat" initiative, aiming for self-reliance in steel production.

Steel scrap recycling policy (2019)

The policy was introduced to facilitate and promote the establishment of metal scrapping centres and ensures that quality scrap is available for the steel industry.

The objective of the policy is to promote a formal and scientific collection, dismantling and processing activities for end-of-life products that are sources of recyclable (ferrous, non-ferrous and other non-metallic) scraps, which will lead to resource conservation and energy savings and setting up of an environmentally sound management system for handling ferrous scrap.

DMI&SP policy

The policy mandates preference to locally manufactured iron and steel products with a minimum of 15–50% value addition in government procurement. This also supports value-added steel production.

The policy is envisaged to promote growth and development of the domestic steel industry and reduce the inclination to use low-quality and low-cost imported steel in government-funded projects.

7. Competitive landscape assessment

In this section, CRISIL MI&A has compared key players in the domestic heavy engineering, wear plates and welding consumable industries. Data has been sourced from publicly available information, including annual reports and investor presentations of listed players, regulatory filings, rating rationales, and/or company websites. The financials in the competitive section have been re-classified by CRISIL MI&A, based on annual reports and filings by the players may not match with the reported financials by the players.

7.1. Overview of key players in heavy engineering capital goods industry

Company name	Year established	No. of years of operation*
The Anup Engineering	1962	62 years
ISGEC Heavy Engineering	1933^	91 years
Lloyds Engineering	1974	50 years
Praj Industries	1983	41 years
Thermax	1966	58 years

Note:
* As 2024
Established as Saraswati Sugar Syndicate Ltd.
Source: CRISIL MI&A, company website and annual reports, secondary research

Key financial parameters

Operating Income

Operating Income (Rs Million)	FY21	FY22	FY23	FY24	CAGR (FY21-24)
The Anup Engineering*	2791.30	2882.42	4113.38	5503.85	25.40%

Operating Income (Rs Million)	FY21	FY22	FY23	FY24	CAGR (FY21-24)
ISGEC Heavy Engineering^	54015.25	54762.82	63730.56	62072.10	4.74%
Lloyds Engineering*	700.51	500.97	3126.10	6242.36	107.32%
Praj Industries^	13046.69	22228.16	35817.61	33913.50	37.50%
Thermax^	47683.20	61250.90	81246.40	93346.10	25.10%

Note:
* Standalone
^ Consolidated
Source: annual reports, CRISIL MI&A

Operating profit before depreciation, interest, and tax (OPBDIT)

OPBDIT (Rs Million)	FY21	FY22	FY23	FY24	CAGR (FY21-24)
The Anup Engineering*	701.00	700.04	838.81	1267.71	21.83%
ISGEC Heavy Engineering^	5015.39	3161.08	4854.51	5467.46	2.92%
Lloyds Engineering*	-100.35	47.17	528.25	1009.97	NM
Praj Industries^	1093.40	1475.70	3183.37	3878.06	52.50%
Thermax^	3581.00	4027.50	6481.10	8759.30	34.74%

Note: NM: Not meaningful
* Standalone
^ Consolidated
OPBDIT = Operating income - total expenses before interest tax, depreciation and extraordinary items
Source: annual reports, CRISIL MI&A

Earnings before interest, tax, depreciation, and amortisation (EBITDA)

EBITDA (Rs Million)	FY21	FY22	FY23	FY24
The Anup Engineering*	729.73	745.44	879.88	1357.56
ISGEC Heavy Engineering^	5116.39	3224.64	4962.73	5657.13
Lloyds Engineering*	-29.29	142.76	580.35	1084.36
Praj Industries^	1191.53	1655.46	3323.79	4161.29
Thermax^	4440.70	4807.90	7335.90	11132.30

Note:
* Standalone
^ Consolidated
EBITDA = OPBDIT + non-operating income
Source: annual reports, CRISIL MI&A

Profit After Tax (PAT)

PAT (Rs Million)	FY21	FY22	FY23	FY24
The Anup Engineering*	537.64	628.52	514.30	1034.75
ISGEC Heavy Engineering^	2530.72	1149.85	2055.41	2548.72
Lloyds Engineering*	5.04	59.47	368.23	798.38
Praj Industries^	810.59	1502.42	2398.18	2833.91
Thermax^	2065.80	3123.10	4507.00	6431.90

Note:
* Standalone
^ Consolidated
Source: annual reports, CRISIL MI&A

OPBDIT Margin (%)

OPBDIT Margin (%)	FY21	FY22	FY23	FY24
The Anup Engineering*	25.11	24.29	20.39	23.03
ISGEC Heavy Engineering^	9.29	5.77	7.62	8.81
Lloyds Engineering*	-14.33	9.42	16.90	16.18
Praj Industries^	8.38	6.64	8.89	11.44
Thermax^	7.51	6.58	7.98	9.38

Note:
* Standalone
^ Consolidated
Operating margin = OPBDIT / Operating Income
Source: annual reports, CRISIL MI&A

EBITDA Margin (%)

EBITDA Margin(%)	FY21	FY22	FY23	FY24
The Anup Engineering*	25.88	25.46	21.18	24.27
ISGEC Heavy Engineering^	9.45	5.88	7.77	9.09
Lloyds Engineering*	-3.80	23.93	18.26	17.17
Praj Industries^	9.06	7.39	9.24	12.17
Thermax^	9.15	7.75	8.94	11.63

Note:
* Standalone
^ Consolidated
EBITDA margin =EBITDA / Total Income
Total Income = Operating Income + Non-Operating Income
Source: annual reports, CRISIL MI&A

PAT Margin (%)

PAT Margin(%)	FY21	FY22	FY23	FY24
The Anup Engineering*	19.26	21.81	13.28	18.80
ISGEC Heavy Engineering^	4.69	2.10	3.23	4.11
Lloyds Engineering*	0.72	11.87	11.78	12.51
Praj Industries^	6.21	6.76	6.70	8.36
Thermax^	4.33	5.10	5.55	6.89

Note:
* Standalone
^ Consolidated
PAT margin = PAT / Operating Income
Source: annual reports, CRISIL MI&A

Gearing Ratio

Gearing Ratio	FY21	FY22	FY23	FY24
The Anup Engineering*	0.00	0.00	0.00	0.04
ISGEC Heavy Engineering^	0.47	0.56	0.52	0.31
Lloyds Engineering*	0.01	0.16	0.24	0.15
Praj Industries^	0.00	0.00	0.00	0.00
Thermax^	0.10	0.11	0.21	0.29

Note:
* Standalone
^ Consolidated
Gearing Ratio = Total Debt / Tangible Networth

Source: annual reports, CRISIL MI&A

Current Ratio

Current Ratio	FY21	FY22	FY23	FY24
The Anup Engineering*	2.67	2.37	2.14	1.44
ISGEC Heavy Engineering^	1.28	1.28	1.32	1.27
Lloyds Engineering*	3.43	4.24	1.54	3.08
Praj Industries^	1.59	1.45	1.43	1.48
Thermax^	1.45	1.21	1.23	1.30

Note:
* Standalone
^ Consolidated
Current Ratio = Current assets / Current liabilities
Source: annual reports, CRISIL MI&A

Return on Capital Employed (ROCE)

ROCE (%)	FY21	FY22	FY23	FY24
The Anup Engineering*	22.03	17.68	13.99	24.06
ISGEC Heavy Engineering^	14.47	7.77	11.09	12.78
Lloyds Engineering*	1.39	10.19	27.15	29.15
Praj Industries^	16.86	25.94	34.97	36.07
Thermax^	9.17	12.31	15.57	18.92

Note:
* Standalone
^ Consolidated
RoCE = Profit before interest and tax (PBIT)/ (Average total debt + average tangible networth + average deferred tax liability)
Source: annual reports, CRISIL MI&A

7.2. Overview of key players in elevator and escalator Industry in India

In this section, CRISIL MI&A has compared key players in the domestic elevator and escalator industry. Data has been sourced from publicly available information, including annual reports and investor presentations of listed players, regulatory filings, rating rationales, and/or company websites. The financials in the competitive section have been re-classified by CRISIL MI&A, based on annual reports and filings by the players.

Company name	Year of incorporation	No. of years of operation*
KONE Elevator India Private Limited	1984	40 years
Otis Elevator Company (India) Limited	1953	71 years
Schindler India Private Limited	1997	27 years
Techno Industries Private Limited	2000	24 years

Note:
* years of operation is based on year of incorporation
* As on September 2024
Source: Ministry of Corporate Affairs, CRISIL MI&A

Key financial parameters

Operating Income

Operating Income (Rs Million)	FY21	FY22	FY23	CAGR (FY21-23)
KONE Elevator India Private Limited	16,757.00	21,751.00	27,172.00	27.34%
Otis Elevator Company (India)	17,100.90	19,472.80	24,350.00	19.33%

Operating Income (Rs Million)			FY21	FY22	FY23	CAGR (FY21-23)
Limited^						
Schindler India Limited		Private	17,712.90	21,022.60	26,379.80	22.04%
Techno Industries Limited		Private	653.70	1,318.40	1,486.50	50.80%

Note:
^ Consolidated
Source: Company filings, CRISIL MI&A

Operating profit before depreciation, interest, and tax (OPBDIT)

OPBDIT (Rs Million)	FY21	FY22	FY23	CAGR (FY21-23)
KONE Elevator India Private Limited	3,758.00	3,145.00	3,722.00	-0.48%
Otis Elevator Company (India) Limited^	1,925.20	1,871.60	2,008.30	2.14%
Schindler India Private Limited	701.60	(547.00)	(1,269.70)	N.M
Techno Industries Private Limited	33.10	113.90	153.50	115.35%

Note:
N.M: Not Meaningful
^ Consolidated
OPBDIT = Operating income - total expenses before interest tax, depreciation and extraordinary items
Source: Company filings, CRISIL MI&A

Earnings before interest, tax, depreciation, and amortisation (EBITDA)

EBITDA (Rs Million)	FY21	FY22	FY23	CAGR (FY21-23)
KONE Elevator India Private Limited	3,864.00	4,308.00	4,259.00	4.99%
Otis Elevator Company (India) Limited^	2,269.70	2,208.90	2,400.30	2.84%
Schindler India Private Limited	1,710.40	809.90	92.80	-76.71%
Techno Industries Private Limited	37.90	118.50	158.90	104.76%

Note:
^ Consolidated
EBITDA = OPBDIT + non-operating income
Source: Company filings, CRISIL MI&A

Profit After Tax (PAT)

PAT (Rs million)	FY21	FY22	FY23	CAGR (FY21-23)
KONE Elevator India Private Limited	3,508.00	3,027.00	2,490.00	-15.75%
Otis Elevator Company (India) Limited^	1,637.50	1,464.20	1,547.10	-2.80%
Schindler India Private Limited	412.80	22.50	(450.40)	N.M
Techno Industries Private Limited	3.20	63.00	86.20	419.01%

Note:
N.M: Not Meaningful
^ Consolidated
Source: Company filings, CRISIL MI&A

OPBDIT Margin (%)

OPBDIT margin (%)	FY21	FY22	FY23
KONE Elevator India Private Limited	22.43	14.46	13.70
Otis Elevator Company (India) Limited^	11.26	9.61	8.25
Schindler India Private Limited	3.96	(2.60)	(4.81)
Techno Industries Private Limited	5.06	8.64	10.33

Note:

^ Consolidated
Operating margin = OPBDIT / Operating Income
Source: Company filings, CRISIL MI&A

EBITDA Margin (%)

EBITDA margin (%)	FY21	FY22	FY23
KONE Elevator India Private Limited	22.91	18.80	15.37
Otis Elevator Company (India) Limited^	13.01	11.15	9.70
Schindler India Private Limited	9.14	3.62	0.33
Techno Industries Private Limited	5.76	8.96	10.65

Note:
^ Consolidated
EBITDA margin =EBITDA / Total Income
Total Income = Operating Income + Non-Operating Income
Source: Company filings, CRISIL MI&A

PAT Margin (%)

PAT margin (%)	FY21	FY22	FY23
KONE Elevator India Private Limited	20.93	13.92	9.16
Otis Elevator Company (India) Limited^	9.58	7.52	6.35
Schindler India Private Limited	2.33	0.11	(1.71)
Techno Industries Private Limited	0.49	4.78	5.80

Note:
^ Consolidated
PAT margin = PAT / Operating income
Source: Company filings, CRISIL MI&A

Gearing Ratio

Gearing (times)a	FY21	FY22	FY23
KONE Elevator India Private Limited	0.00	0.00	0.00
Otis Elevator Company (India) Limited^	0.00	0.00	0.00
Schindler India Private Limited	0.00	0.00	0.00
Techno Industries Private Limited	0.32	0.46	0.38

Note:
^ Consolidated
Gearing Ratio = Total Debt / Tangible Networth
Source: Company filings, CRISIL MI&A

Current Ratio

Current ratio (times)	FY21	FY22	FY23
KONE Elevator India Private Limited	1.31	1.27	1.16
Otis Elevator Company (India) Limited^	1.09	1.08	1.05
Schindler India Private Limited	1.06	0.91	0.87
Techno Industries Private Limited	2.01	1.77	1.74

Note:
^ Consolidated
Current Ratio = Current assets / Current liabilities
Source: Company filings, CRISIL MI&A

Return on Capital Employed (ROCE)

RoCE (%)	FY21	FY22	FY23
KONE Elevator India Private Limited	64.02	36.93	28.36
Otis Elevator Company (India) Limited^	133.82	126.66	143.40
Schindler India Private Limited	7.60	(1.27)	(14.11)
Techno Industries Private Limited	3.61	15.66	18.98

Note:

^ Consolidated
RoCE = Profit before interest and tax (PBIT)/ (Average total debt + average tangible networth + average deferred tax liability)
Source: Company filings, CRISIL MI&A

7.3. Overview of key players in induction motor and single phase motor Industry in India

Company name	Year established	No. of years of operation*
Bharat Bijlee	1946	78 years
Kirloskar Brothers	1888	136 years
KSB	1960	64 years
Roto Pumps	1968	56 years
Shakti Pumps	1982	42 years
Techno Industries	1995	29 years
WPIL	1952^	72 years

Note:
^ Incorporation year
* As on 2024
Source: CRISIL MI&A, company website and annual reports, secondary research

Key financial parameters

Operating Income

Operating Income (Rs Million)	FY21	FY22	FY23	FY24	CAGR (FY21-24)
Bharat Bijlee*	7310.49	12657.40	14184.96	18767.22	36.93%
Kirloskar Brothers^	27182.77	30590.65	37322.88	40023.40	13.76%
KSB^@	12134.39	15053.70	18326.50	22565.29	22.97%
Roto Pumps^	1285.77	1773.97	2275.49	2744.96	28.76%
Shakti Pumps^	9317.67	11814.32	9701.07	13707.39	13.73%
Techno Industries*	653.70	1318.40	1486.50	1675.50	36.85%
WPIL^	9948.31	11812.78	17847.99	16653.53	18.74%

Note:
* Standalone
^ Consolidated
@ The company has financial year end of 31st December
Source: annual reports, CRISIL MI&A

Operating profit before depreciation, interest, and tax (OPBDIT)

OPBDIT (Rs Million)	FY21	FY22	FY23	FY24	CAGR (FY21-24)
Bharat Bijlee*	392.18	873.57	1206.44	1795.08	66.04%
Kirloskar Brothers^	2591.16	2075.42	4024.25	5065.90	25.04%
KSB^@	1754.62	2241.41	2669.76	3087.42	20.73%
Roto Pumps^	313.57	480.98	577.79	655.50	27.86%
Shakti Pumps^	1441.57	1133.48	689.84	2248.32	15.97%
Techno Industries*	33.10	113.90	153.50	156.30	67.77%
WPIL^	1565.83	2102.40	3420.36	3042.09	24.78%

Note:
* Standalone
^ Consolidated
@ The company has financial year end of 31st December
OPBDIT = Operating income - total expenses before interest tax, depreciation and extraordinary items
Source: annual reports, CRISIL MI&A

Earnings before interest, tax, depreciation, and amortisation (EBITDA)

EBITDA (Rs Million)	FY21	FY22	FY23	FY24	CAGR (FY21-24)
Bharat Bijlee*	649.50	1109.29	1481.72	2086.35	47.55%
Kirloskar Brothers^	3010.58	2513.09	4369.70	5686.01	23.61%
KSB^@	1991.96	2497.68	2955.28	3347.00	18.88%
Roto Pumps^	320.31	492.21	580.47	700.12	29.78%
Shakti Pumps^	1458.22	1165.93	698.13	2283.95	16.13%
Techno Industries*	37.90	118.50	158.90	161.00	61.96%
WPIL^	1645.29	2195.52	3548.97	3318.07	26.34%

Note:
* Standalone
^ Consolidated
@ The company has financial year end of 31st December
EBITDA = OPBDIT + non-operating income
Source: annual reports, CRISIL MI&A

Profit After Tax (PAT)

PAT (Rs Million)	FY21	FY22	FY23	FY24	CAGR (FY21-24)
Bharat Bijlee*	260.50	555.79	832.23	1314.41	71.52%
Kirloskar Brothers^	1607.45	943.77	2357.66	3496.80	29.57%
KSB^@	937.84	1493.89	1827.41	2087.33	30.56%
Roto Pumps^	183.31	302.41	331.15	394.15	29.07%
Shakti Pumps^	755.86	648.16	241.32	1417.09	23.31%
Techno Industries*	3.20	63.00	86.20	87.80	201.61%
WPIL^	986.89	1182.18	2196.77	6837.66	90.64%

Note:
* Standalone
^ Consolidated
@ The company has financial year end of 31st December
Source: annual reports, CRISIL MI&A

OPBDIT Margin (%)

OPBDIT Margin (%)	FY21	FY22	FY23	FY24
Bharat Bijlee*	5.36	6.90	8.51	9.56
Kirloskar Brothers^	9.53	6.78	10.78	12.66
KSB^@	14.46	14.89	14.57	13.68
Roto Pumps^	24.39	27.11	25.39	23.88
Shakti Pumps^	15.47	9.59	7.11	16.40
Techno Industries*	5.06	8.64	10.33	9.33
WPIL^	15.74	17.80	19.16	18.27

Note:
* Standalone
^ Consolidated
@ The company has financial year end of 31st December
Operating margin = OPBDIT / Operating Income
Source: annual reports, CRISIL MI&A

EBITDA Margin (%)

EBITDA Margin (%)	FY21	FY22	FY23	FY24
Bharat Bijlee*	8.58	8.60	10.25	10.95
Kirloskar Brothers^	10.91	8.10	11.60	13.99
KSB^@	16.10	16.31	15.88	14.66
Roto Pumps^	24.78	27.57	25.48	25.10
Shakti Pumps^	15.62	9.84	7.19	16.62
Techno Industries*	5.76	8.96	10.65	9.58
WPIL^	16.41	18.44	19.74	19.60

Note:
* Standalone
^ Consolidated
@ The company has financial year end of 31st December
EBITDA margin =EBITDA / Total Income
Total Income = Operating Income + Non-Operating Income
Source: annual reports, CRISIL MI&A

PAT Margin (%)

PAT Margin (%)	FY21	FY22	FY23	FY24
Bharat Bijlee*	3.56	4.39	5.87	7.00
Kirloskar Brothers^	5.91	3.09	6.32	8.74
KSB^@	7.73	9.92	9.97	9.25
Roto Pumps^	14.26	16.98	14.55	14.36
Shakti Pumps^	8.11	5.49	2.49	10.34
Techno Industries*	0.49	4.78	5.80	5.24
WPIL^	9.92	10.01	12.31	41.06

Note:
* Standalone
^ Consolidated
@ The company has financial year end of 31st December
PAT margin = PAT / Operating Income
Source: annual reports, CRISIL MI&A

Gearing Ratio

Gearing Ratio	FY21	FY22	FY23	FY24
Bharat Bijlee*	0.24	0.25	0.21	0.08
Kirloskar Brothers^	0.28	0.32	0.18	0.09
KSB^@	0.07	0.00	0.00	0.00
Roto Pumps^	0.12	0.11	0.24	0.19
Shakti Pumps^	0.23	0.27	0.18	0.11
Techno Industries*	0.32	0.46	0.38	0.34
WPIL^	0.58	0.47	0.29	0.14

Note:
* Standalone
^ Consolidated
@ The company has financial year end of 31st December
Gearing Ratio = Total Debt / Tangible Networth
Source: annual reports, CRISIL MI&A

Current Ratio

Current Ratio	FY21	FY22	FY23	FY24
Bharat Bijlee*	1.62	1.38	1.67	1.67
Kirloskar Brothers^	1.28	1.41	1.49	1.60
KSB^@	1.86	2.10	2.04	2.05
Roto Pumps^	2.29	2.42	1.73	1.69
Shakti Pumps^	1.72	1.59	1.94	1.82
Techno Industries*	2.01	1.77	1.74	1.81
WPIL^	1.36	1.38	1.41	1.92

Note:
* Standalone
^ Consolidated
@ The company has financial year end of 31st December
Current Ratio = Current assets / Current liabilities
Source: annual reports, CRISIL MI&A

Return on Capital Employed (ROCE)

ROCE (%)	FY21	FY22	FY23	FY24
Bharat Bijlee*	5.03	7.42	8.61	10.26
Kirloskar Brothers^	17.83	12.56	23.53	30.11
KSB^@	15.32	21.11	23.40	23.48
Roto Pumps^	24.54	33.27	28.98	27.16
Shakti Pumps^	28.92	21.15	10.48	31.45
Techno Industries*	3.61	15.66	18.98	16.57
WPIL^	20.62	21.77	32.36	58.00

Note:
* Standalone
^ Consolidated
@ The company has financial year end of 31st December
RoCE = Profit before interest and tax (PBIT)/ (Average total debt + average tangible networth + average deferred tax liability)
Source: annual reports, CRISIL MI&A

8. Addendum I to the report titled 'Assessment of heavy engineering, capital goods, elevators & escalators and selected motors industries in India'

Macroeconomic overview

Global Macroeconomic assessment

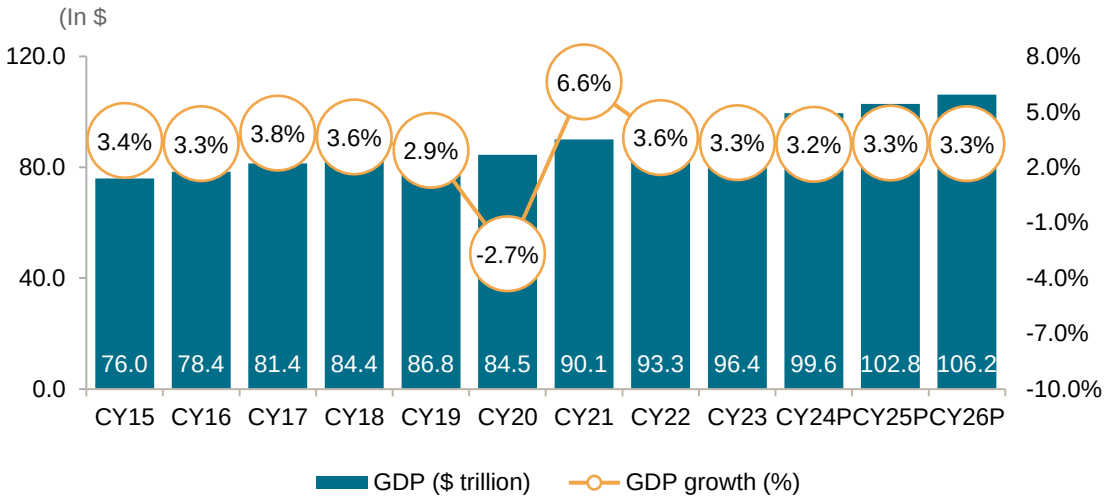
Global GDP is estimated to grow 3.3% in CY25 amid moderating inflation and steady growth in key economies

The International Monetary Fund (IMF), in its January 2025 update, estimated global gross domestic product (GDP) growth at 3.3% for CY25 and projected the growth rate of 3.3% for CY26. The latest estimate for CY25 is 0.1 percentage point higher than the fund's forecast in October 2024. This growth going forward is majorly propelled by the emerging and developing economies with regional differences on account of global economic tensions and extreme weather events.

With disinflation and steady growth, the likelihood of a hard landing of the economy has receded, and risks to global growth are broadly balanced. Amid favourable global supply developments, inflation has been falling faster than expected. On the upside, faster disinflation could lead to further easing of financial conditions. On the downside, fresh commodity price increases because of geopolitical shocks and supply disruptions or more persistent underlying inflation could prolong tight monetary conditions. The property sector distress in China or elsewhere and a disruptive turn to tax hikes and spending cuts

could also lead to moderation in growth in the near term.

Trend and outlook for global real GDP (CY15-CY26P)



Note: E – estimated; P – projected
Sources: IMF economic database, Crisil Intelligence

Global per capita GDP

Global GDP per capita logged 3.1% compound annual growth rate (CAGR) between 2018 and 2023, as per IMF data while India's GDP per capita expanded at ~4.8% CAGR between 2017 and 2023.

Per capita GDP at current prices for key economies- $ per capita

Regions	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023	CY2024P	CY2025P	CAGR (2018-23)
China	9,849	10,170	10,525	12,572	12,643	12,597	12,969	13,873	5.0%
Euro area	40,138	39,261	38,167	42,939	41,493	44,851	46,635	48,516	2.2%
India	1,974	2,050	1,916	2,250	2,366	2,497	2,698	2,937	4.8%
Japan	39,850	40,548	40,160	40,161	34,158	33,899	32,859	35,611	-3.2%
United Kingdom	43,275	42,713	40,231	46,731	46,103	49,648	52,423	54,280	2.8%
United States	63,165	65,561	64,462	71,258	77,980	82,715	86,601	89,678	5.5%
World	11,484	11,530	11,126	12,566	12,976	13,400	13,898	14,450	3.1%

Source: IMF, Crisil Intelligence

India among the world's fastest-growing key economies

Following the recovery from the COVID-19 pandemic, India exhibited a growth rate of 7.6% in FY23, surpassing both advanced economies at 2.9% and emerging and developing economies at 4.0%.

United States: In the United States, growth is estimated to be 2.9% in CY2023 and 2.8% in CY2024 and the country is projected to grow at 2.7% in CY2025, with the lagged effects of monetary policy tightening, gradual fiscal tightening, and a softening in labour markets slowing the aggregate demand.

United Kingdom: Growth in the United Kingdom is estimated to be 0.3% in CY2023 and 0.9% in CY2024, as the lagged negative effects of high energy prices wane. Then in CY2025, as disinflation allows an easing in financial conditions and permits real incomes to recover, the economy is expected to see a growth of 1.6%.

Euro zone: Growth in the euro area is estimated to have recovered from 0.4% in 2023, which reflected relatively high exposure to the global conflicts, to 0.8% in CY2024 and it is projected to grow 1.0% in CY2025. As per IMF estimates, the growth is driven by strong household consumption as the energy prices subside and inflation falls, supporting the real income growth.

In terms of emerging and developing economies, growth is estimated to have been relatively stable at 4.4% in CY2023 and 4.2% in CY2024. It is projected to grow at 4.2% in CY2025.

Real GDP growth comparison among India vs Advanced and emerging economies

Real GDP growth (Annual % change)	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023	CY2024P	CY2025P
Canada	2.7	1.9	-5.0	5.3	3.8	1.5	1.3	2.0
China	6.7	6.0	2.2	8.4	3.0	5.2	4.8	4.6
Euro Area	1.8	1.6	-6.1	6.2	3.3	0.4	0.8	1.0
India*	6.5	3.9	-5.8	9.7*	7.6*	9.2*	6.5*	6.5
Japan	0.6	-0.4	-4.2	2.7	1.2	1.5	-0.2	1.1
UK	1.4	1.6	-10.3	8.6	4.8	0.3	0.9	1.6
USA	3.0	2.6	-2.2	6.1	2.5	2.9	2.8	2.7
World	3.6	2.9	-2.7	6.6	3.6	3.3	3.2	3.3

*Note: P: Projected. * Numbers for India are for financial year (CY2020 is FY21 and so on) and as per the IMF's forecast. ^India GDP estimate for the FY24 is 9.2% according to Second Advance Estimates from MoSPI. Note: Projection as per IMF update*
Source: IMF economic database, World Bank national accounts data, OECD national accounts data, Crisil Intelligence

India's macroeconomic assessment

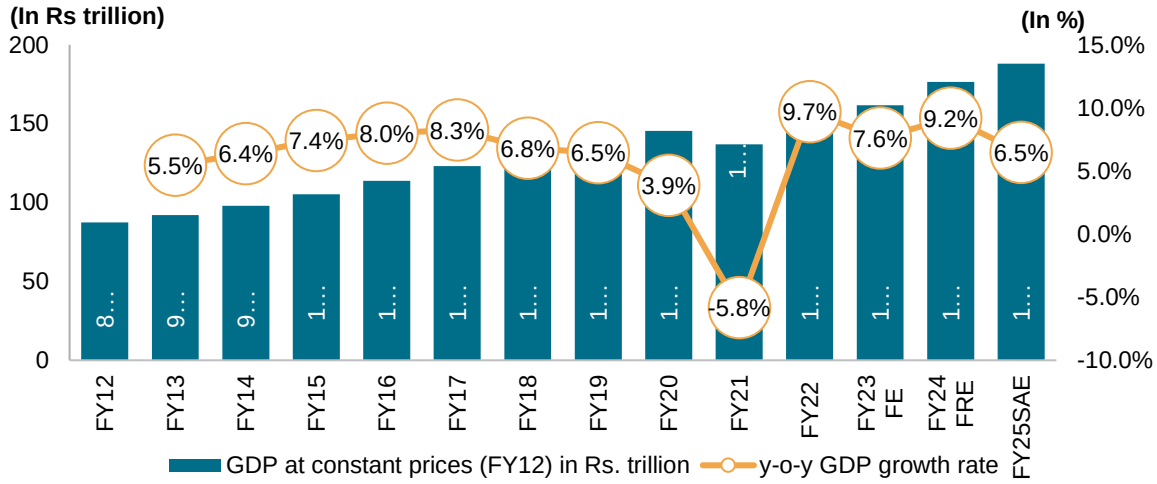
India's Real GDP registered a CAGR of 6.0% between fiscal 2012 and fiscal 2024

As per the Second advance estimates of GDP for FY25, India's GDP grew 6.5% in FY25 to Rs. 188 trillion. This growth was propelled by growth in private consumption and gross fixed capital formation which grew at 7.6% and 6.1% respectively. India's GDP grew at 6.1% compounded annual growth rate (CAGR) between FY12 and FY25 to Rs. 188 trillion in FY25 from Rs. 87 trillion in FY12. A large part of the lower growth rate was because of challenges heaped by the Covid-19 pandemic in FY20 and FY21. In FY22, the economy recovered with abating of the pandemic and subsequent easing of restrictions and resumption in economic activity.

The National Statistics Office (NSO) in its Second Advance Estimates of Annual Gross Domestic Product (GDP) for FY25, estimated India's real GDP growth in FY24 to be 9.2% which is higher than its earlier Provisional Estimate of 8.2%. Even as the agricultural economy slowed sharply following a weak monsoon, the surge in non-agricultural economy has more than made up for it. The government's investment push, along with easing input cost pressures for industry, has also played a major role in shoring up growth. However, services have been slowing owing to waning pent-up demand (post the pandemic), with the exception of financial, real estate, professional and healthcare services.

Analyses of the FY24 year's growth reveal notable dichotomies. Growth has primarily been fuelled by fixed investments, exhibiting a robust 8.8% expansion, while private consumption growth lagged at 5.6%, trailing overall GDP growth. On the supply side, the manufacturing sector experienced the most substantial growth at 12.3%, while the agriculture and Electricity, Gas, Water Supply & Other Utility services sectors exhibited growth rates of 2.7% and 8.6%, respectively. These trends underscore the varied performance across sectors, highlighting the nuanced dynamics shaping India's economic landscape in FY24. Overall, real GDP of India is estimated to have grown at 9.2% in FY24 compared with 7.6% in FY23.

Real GDP growth in India (new series) – constant prices



Note: FRE: First Revised Estimates, FE: Final Estimates, SAE: Second Advance Estimates, P: Projected
These values are reported by the government under various stages of estimates
Only actuals and estimates of GDP are provided in the bar graph
Source: Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation (MoSPI), Crisil Intelligence

Crisil forecasts India's real GDP to grow 6.5% in FY26

Crisil expects GDP growth to be steady in FY26 at 6.5% despite uncertainties stemming from geopolitical turns and trade-related issues led by US tariff actions. Additionally, cooling food inflation, the tax benefits announced in the Union Budget 2025-2026, and lower borrowing costs are expected to drive discretionary consumption. However, India's current account deficit (CAD) is expected to rise mildly in fiscal 2026. Given the tariff related issues, and the subdued global growth environment, India's goods exports are expected to face further headwinds in fiscal 2026. However, a healthy services trade balance and robust remittances growth will limit the widening.At an overall level, India's real GDP is expected to be 6.5% in FY26.

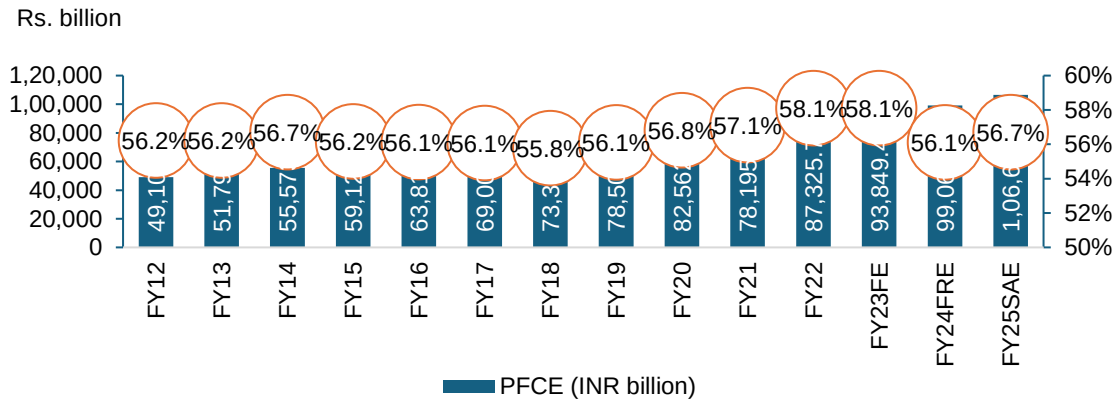
PFCE to maintain dominant share in India's GDP

Private final consumption expenditure (PFCE) has been the largest component of India's GDP historically. The PFCE CAGR growth of approximately 6.1% has been in line with India's GDP CAGR growth of 6.1% from FY2012 to FY2025.

Growth was led by healthy monsoon, wage revisions due to the implementation of the Seventh Central Pay Commission's (CPC) recommendations, benign interest rates, growing middle age population and low inflation. As of FY24, PFCE is estimated to have further increased to Rs 99,067.7 billion, registering a y-o-y growth of 5.6% and forming 56.1% of India's GDP. The increasing share of discretionary spending from FY12 suggests rising disposable incomes and spending capacity of households.

As of FY25SAE, PFCE is estimated to have further increased to Rs. 106,617.9 billion, registering a y-o-y growth of 7.6% and forming ~56.7% of India's GDP.

PFCE at constant prices

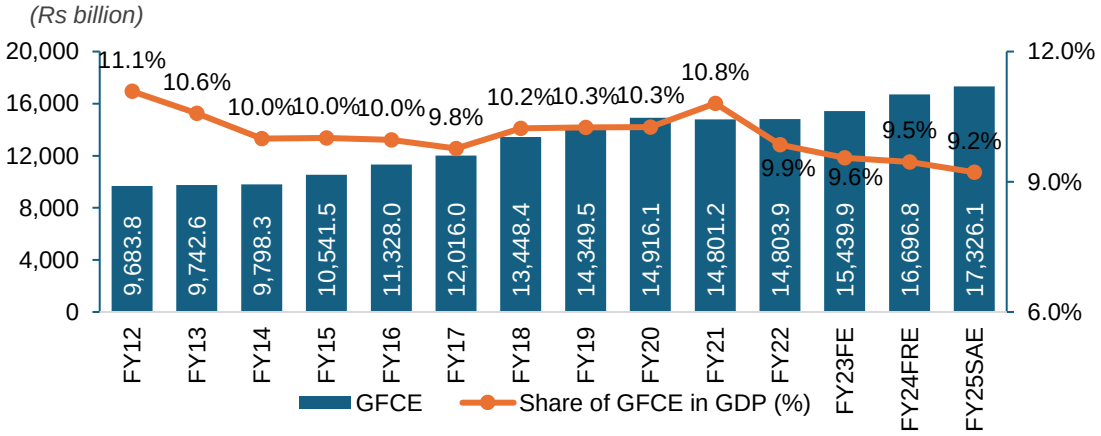


Note: FE: Final Estimates; FRE: First Revised Estimates; SAE: Second Advance Estimates; P: Projection
Source: Second Advance Estimates of Annual GDP for 2024-25, MoSPI, Crisil Intelligence

GFCE clocked 4.6% CAGR between fiscal 2012 and 2025

Government final consumption expenditure (GFCE) at constant prices clocked 4.6% CAGR between fiscal 2012 and 2025, to reach at ~Rs 17,326 billion in FY25 as per second advanced estimates. It grew 3.8 % on-year in fiscal 2025

GFCE (at constant prices)



Note: PE: provisional estimates; RE: revised estimates
Source: MoSPI, Crisil Intelligence

Robust growth in per capita income over FY12-24

India's per capita income, a broad indicator of living standards, rose from Rs. 63,462 in FY12 to Rs. 108,786 in FY24, logging 4.6% CAGR. Growth was led by better job opportunities, propped up by overall GDP growth. Moreover, population growth remained stable at ~1% CAGR. Furthermore, according to FY25SAE, per capita net national income (constant prices) is estimated to have increased to Rs. 114,705; thereby registering a year-on-year growth of 5.4%.

Per capita net national income at constant prices

	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23FE	FY24FRE	FY25SAE
Per-capita NNI (Rs.)	63,462	65,538	68,572	72,805	77,659	83,003	87,586	92,133	94,420	86,034	94,054	100,163	108,786	114,705

	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23FE	FY24FRE	FY25SAE
Y-o-Y growth (%)		3.3%	4.6%	6.2%	6.7%	6.9%	5.5%	5.2%	2.5%	-8.9%	9.3%	6.5%	8.6%	5.4%

Note: RE: revised estimates, PE: provisional estimates
Source: Provisional Estimates of Annual National Income, 2022-23, CSO, MoSPI, Crisil Intelligence

India's per capita GDP grows faster than global average

Global per capita GDP clocked a CAGR of 3.8% between 2019 and 2023. Meanwhile, India witnessed a higher per capita GDP CAGR of 5.1% between 2019-2023.

GDP per capita, current prices ($)- CY basis

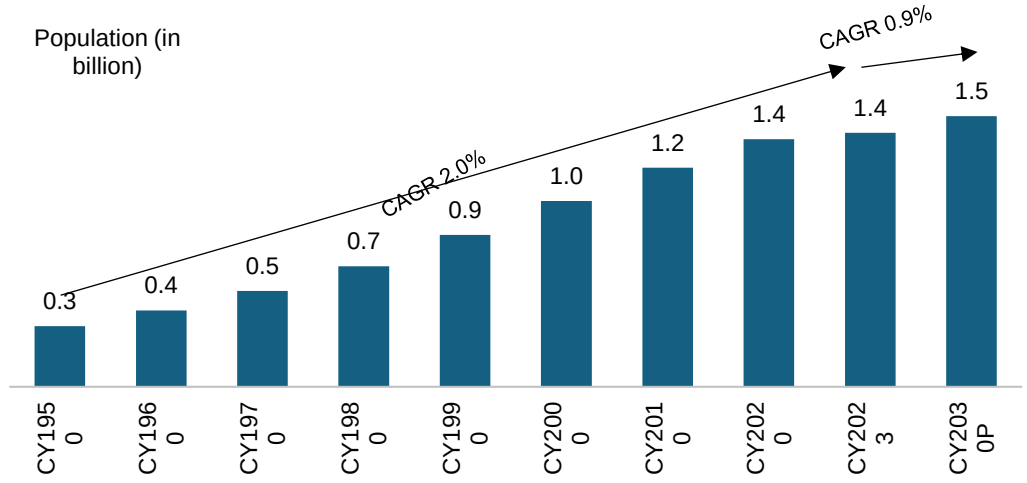
Regions	2019	2020	2021	2022	2023	2024P	2025P	CAGR (2019-23)
India	2,050	1,916	2,250	2,366	2,497	2,698	2,937	5.1%
World	11,530	11,126	12,566	12,976	13,400	13,898	14,450	3.8%

Notes: P – projected
Source: IMF, Crisil Intelligence

India's population is projected to log 0.9% CAGR between 2023 and 2030

India's population grew to ~1.4 billion in 2023 as per World Population Prospects 2024, compared to just 0.3 billion in 1950, thereby registering a CAGR of ~2.0%. Additionally, as per World Population Prospects 2024, the population of India is expected to remain the world's largest throughout the century and will likely reach its peak in the early 2060s at about 1.7 billion.

India's population trajectory



Note: P: Projected
Population is the above chart as of 1st January
Source: UN Department of Economic and Social Affairs, World Population Prospects 2024, Crisil Intelligence

As per the United Nations' 2024 Revision of World Population Prospects, India's youth (0-24 years) accounted for nearly half its population in 2010, significantly higher than that for some of its peers (Brazil at ~42%, ~China at 35% and the Russian Federation at ~30%). The fact that ~31% of the population was aged below 15 in 2010 indicates the high proportion of the country's young population is expected to remain so in the coming years.

This share (0-24 years) is expected to reach ~39% by 2030 and remain significantly higher than that of its peers (Brazil at ~31%, China at ~25% and the Russian Federation at ~28%). This also indicates a higher proportion of the population entering the workforce.

Age-wise population break-up (%) for key countries

Country	0-14 years	15-24 years	25-49 years	50-69 years	70+	Total
Brazil						
CY2010	24.71%	17.69%	37.73%	15.67%	4.20%	100.00%
CY2023	19.94%	14.73%	38.01%	20.63%	6.69%	100.00%
CY2030P	17.95%	13.32%	36.89%	22.88%	8.97%	100.00%
China						
CY2010	18.47%	16.57%	40.21%	19.00%	5.74%	100.00%
CY2023	16.59%	11.35%	35.85%	27.27%	8.95%	100.00%
CY2030P	12.14%	12.41%	34.48%	28.96%	12.01%	100.00%
India						
CY2010	31.34%	19.31%	33.67%	12.63%	3.04%	100.00%
CY2023	25.06%	17.93%	37.07%	15.85%	4.09%	100.00%
CY2030P	22.39%	16.25%	38.33%	17.70%	5.34%	100.00%
Russian Federation						
CY2010	15.17%	14.60%	37.30%	23.19%	9.74%	100.00%
CY2023	17.51%	10.19%	36.39%	25.31%	10.60%	100.00%
CY2030P	15.03%	13.01%	33.15%	25.07%	13.75%	100.00%
UK						
CY2010	17.76%	12.96%	34.74%	22.86%	11.68%	100.00%
CY2023	17.41%	11.62%	32.52%	24.44%	14.01%	100.00%
CY2030P	15.75%	12.80%	32.09%	24.08%	15.28%	100.00%
US						
CY2010	19.70%	14.20%	34.33%	22.92%	8.85%	100.00%
CY2023	17.59%	13.10%	33.28%	24.23%	11.80%	100.00%
CY2030P	16.26%	13.06%	33.10%	22.95%	14.62%	100.00%

P: Projected
Source: United Nations, Department of Economic and Social Affairs, Population Division (2024); World Population Prospects 2024, Crisil Intelligence

Competitive landscape assessment

In this section, Crisil has compared key players in the domestic heavy engineering, wear plates and welding consumable industries. Data has been sourced from publicly available information, including annual reports and investor presentations of listed players, regulatory filings, rating rationales, and/or company websites. The financials in the competitive section have been re-classified by Crisil Intelligence, based on annual reports and filings by the players may not match with the reported financials by the players.

Overview of key players in heavy engineering capital goods industry

Company name	Year established	No. of years of operation*
The Anup Engineering	1962	62 years
ISGEC Heavy Engineering	1933^	91 years
Lloyds Engineering	1974	50 years
Praj Industries	1983	41 years
Thermax	1966	58 years

Note:
** As 2024*
Established as Saraswati Sugar Syndicate Ltd.
Source: Crisil Intelligence, company website and annual reports, secondary research

Key financial parameters

Operating Income

Operating Income (Rs Million)	FY21	FY22	FY23	FY24	9MFY25	CAGR (FY21-24)
The Anup Engineering*	2,791.30	2,882.42	4,113.38	5,503.85	5,030.29	25.40%
ISGEC Heavy Engineering^	54,015.25	54,762.82	63,730.56	6,2072.10	46,802.40	4.74%
Lloyds Engineering*	700.51	500.97	3,126.10	6,242.36	5,772.86	107.32%
Praj Industries^	13,046.69	22,228.16	35,817.61	3,3913.50	23,683.61	37.50%
Thermax^	47,683.20	61,250.90	81,246.40	9,3346.10	73,037.60	25.10%

Note:
** Standalone*
^ Consolidated
Source: annual reports, Crisil Intelligence

Operating profit before depreciation, interest, and tax (OPBDIT)

OPBDIT (Rs Million)	FY21	FY22	FY23	FY24	9MFY25	CAGR (FY21-24)
The Anup Engineering*	701.00	700.04	838.81	1,267.71	1,159.33	21.83%
ISGEC Heavy Engineering^	5,015.39	3,161.08	4,854.51	5,467.46	3,820.90	2.92%
Lloyds Engineering*	-100.35	47.17	528.25	1,009.97	962.69	NM
Praj Industries^	1,093.40	1,475.70	3,183.37	3,878.06	2,509.01	52.50%
Thermax^	3,581.00	4,027.50	6,481.10	8,759.30	6,081.10	34.74%

Note: NM: Not meaningful
** Standalone*
^ Consolidated
OPBDIT = Operating income - total expenses before interest tax, depreciation and extraordinary items
Source: annual reports, Crisil Intelligence

Earnings before interest, tax, depreciation, and amortisation (EBITDA)

EBITDA (Rs Million)	FY21	FY22	FY23	FY24	9MFY25	CAGR (FY21-24)
The Anup Engineering*	729.73	745.44	879.88	1357.56	1,205.51	22.99%
ISGEC Heavy Engineering^	5,116.39	3,224.64	4,962.73	5,657.13	4,188.30	3.41%
Lloyds Engineering*	-29.29	142.76	580.35	1,084.36	1,134.46	NM
Praj Industries^	1,191.53	1,655.46	3,323.79	4,161.29	2,901.67	51.72%
Thermax^	4,440.70	4,807.90	7,335.90	1,1132.30	7,825.30	35.85%

Note:
NM: Not meaningful
** Standalone*
^ Consolidated
EBITDA = OPBDIT + non-operating income
Source: annual reports, Crisil Intelligence

Profit After Tax (PAT)

PAT (Rs Million)	FY21	FY22	FY23	FY24	9MFY25	CAGR (FY21-24)
The Anup Engineering*	537.64	628.52	514.30	1,034.75	875.26	24.39%
ISGEC Heavy Engineering^	2,530.72	1,149.85	2,055.41	2,548.72	1,859.70	0.24%
Lloyds Engineering*	5.04	59.47	368.23	798.38	828.49	441.19%
Praj Industries^	810.59	1,502.42	2,398.18	2,833.91	1,791.16	51.77%
Thermax^	2,065.80	3,123.10	4,507.00	6,431.90	4,211.50	46.02%

Note:
** Standalone*
^ Consolidated

Source: annual reports, Crisil Intelligence

OPBDIT Margin (%)

OPBDIT Margin (%)	FY21	FY22	FY23	FY24	9MFY25
The Anup Engineering*	25.11	24.29	20.39	23.03	23.05
ISGEC Heavy Engineering^	9.29	5.77	7.62	8.81	8.16
Lloyds Engineering*	-14.33	9.42	16.90	16.18	16.68
Praj Industries^	8.38	6.64	8.89	11.44	10.59
Thermax^	7.51	6.58	7.98	9.38	8.33

Note:
** Standalone*
^ Consolidated
Operating margin = OPBDIT / Operating Income
Source: annual reports, Crisil Intelligence

EBITDA Margin (%)

EBITDA Margin(%)	FY21	FY22	FY23	FY24	9MFY25
The Anup Engineering*	25.88	25.46	21.18	24.27	23.75
ISGEC Heavy Engineering^	9.45	5.88	7.77	9.09	8.88
Lloyds Engineering*	-3.80	23.93	18.26	17.17	19.08
Praj Industries^	9.06	7.39	9.24	12.17	12.05
Thermax^	9.15	7.75	8.94	11.63	10.46

Note:
** Standalone*
^ Consolidated
EBITDA margin =EBITDA / Total Income
Total Income = Operating Income + Non-Operating Income
Source: annual reports, Crisil Intelligence

PAT Margin (%)

PAT Margin(%)	FY21	FY22	FY23	FY24	9MFY25
The Anup Engineering*	19.26	21.81	13.28	18.80	17.40
ISGEC Heavy Engineering^	4.69	2.10	3.23	4.11	3.97
Lloyds Engineering*	0.72	11.87	11.78	12.51	14.35
Praj Industries^	6.21	6.76	6.70	8.36	7.56
Thermax^	4.33	5.10	5.55	6.89	5.77

Note:
** Standalone*
^ Consolidated
PAT margin = PAT / Operating Income
Source: annual reports, Crisil Intelligence

Gearing Ratio

Gearing Ratio	FY21	FY22	FY23	FY24
The Anup Engineering*	0.00	0.00	0.00	0.04
ISGEC Heavy Engineering^	0.47	0.56	0.52	0.31
Lloyds Engineering*	0.01	0.16	0.24	0.15
Praj Industries^	0.00	0.00	0.00	0.00
Thermax^	0.10	0.11	0.21	0.29

Note:
** Standalone*
^ Consolidated
Gearing Ratio = Total Debt / Tangible Networth
Source: annual reports, Crisil Intelligence

Current Ratio

Current Ratio	FY21	FY22	FY23	FY24
The Anup Engineering*	2.67	2.37	2.14	1.44
ISGEC Heavy Engineering^	1.28	1.28	1.32	1.27
Lloyds Engineering*	3.43	4.24	1.54	3.08
Praj Industries^	1.59	1.45	1.43	1.48
Thermax^	1.45	1.21	1.23	1.30

Note:
** Standalone*
^ Consolidated
Current Ratio = Current assets / Current liabilities
Source: annual reports, Crisil Intelligence

Return on Capital Employed (ROCE)

ROCE (%)	FY21	FY22	FY23	FY24
The Anup Engineering*	22.03	17.68	13.99	24.06
ISGEC Heavy Engineering^	14.47	7.77	11.09	12.78
Lloyds Engineering*	1.39	10.19	27.15	29.15
Praj Industries^	16.86	25.94	34.97	36.07
Thermax^	9.17	12.31	15.57	18.92

Note:
** Standalone*
^ Consolidated
RoCE = Profit before interest and tax (PBIT)/ (Average total debt + average tangible networth + average deferred tax liability)
Source: annual reports, Crisil Intelligence

Overview of key players in elevator and escalator Industry in India

In this section, Crisil Intelligence has compared key players in the domestic elevator and escalator industry. Data has been sourced from publicly available information, including annual reports and investor presentations of listed players, regulatory filings, rating rationales, and/or company websites. The financials in the competitive section have been re-classified by Crisil Intelligence, based on annual reports and filings by the players.

Company name	Year of incorporation	No. of years of operation*
KONE Elevator India Private Limited	1984	40 years
Otis Elevator Company (India) Limited	1953	71 years
Schindler India Private Limited	1997	27 years
Techno Industries Private Limited	2000	24 years

Note:
** years of operation is based on year of incorporation*
** As on September 2024*
Source: Ministry of Corporate Affairs, Crisil Intelligence

Key financial parameters

Operating Income

Operating Income (Rs Million)	FY21	FY22	FY23	FY24	CAGR (FY21-24)
KONE Elevator India	16,757.00	21,751.00	27,172.00	33,205.00	25.60%

Operating Income (Rs Million)	FY21	FY22	FY23	FY24	CAGR (FY21-24)
Private Limited					
Otis Elevator Company (India) Limited^	17,100.90	19,472.80	24,350.00	27,706.90	17.45%
Schindler India Private Limited	17,712.90	21,022.60	26,557.40	28,826.60	17.63%
Techno Industries Private Limited	653.70	1,318.40	1,486.50	1,675.50	36.85%

Note:
^ Consolidated
Source: Company filings, Crisil Intelligence

Operating profit before depreciation, interest, and tax (OPBDIT)

OPBDIT (Rs Million)	FY21	FY22	FY23	FY24	CAGR (FY21-24)
KONE Elevator India Private Limited	3,758.00	3,145.00	3,722.00	5,525.00	13.71%
Otis Elevator Company (India) Limited^	1,925.20	1,871.60	2,006.60	2,547.30	9.78%
Schindler India Private Limited	701.60	(547.00)	(1,092.10)	277.90	-26.56%
Techno Industries Private Limited	33.10	113.90	153.50	156.30	67.77%

Note:
N.M: Not Meaningful
^ Consolidated
OPBDIT = Operating income - total expenses before interest tax, depreciation and extraordinary items
Source: Company filings, Crisil Intelligence

Earnings before interest, tax, depreciation, and amortisation (EBITDA)

EBITDA (Rs Million)	FY21	FY22	FY23	FY24	CAGR (FY21-24)
KONE Elevator India Private Limited	3,864.00	4,308.00	4,259.00	6,051.00	16.13%
Otis Elevator Company (India) Limited^	2,269.70	2,208.90	2,443.30	3,155.40	11.61%
Schindler India Private Limited	1,710.40	809.90	92.80	1,569.50	-2.83%
Techno Industries Private Limited	37.90	118.50	158.90	161.00	61.96%

Note:
^ Consolidated
EBITDA = OPBDIT + non-operating income
Source: Company filings, Crisil Intelligence

Profit After Tax (PAT)

PAT (Rs million)	FY21	FY22	FY23	FY24	CAGR (FY21-24)
KONE Elevator India Private Limited	3,508.00	3,027.00	2,490.00	3,719.00	1.97%
Otis Elevator Company (India) Limited^	1,637.50	1,464.20	1,547.10	2,095.90	8.57%
Schindler India Private Limited	412.80	22.50	(450.40)	571.30	11.44%
Techno Industries Private Limited	3.20	63.00	86.20	87.80	201.61%

Note:
N.M: Not Meaningful
^ Consolidated
Source: Company filings, Crisil Intelligence

OPBDIT Margin (%)

OPBDIT margin (%)	FY21	FY22	FY23	FY24
KONE Elevator India Private Limited	22.43	14.46	13.70	16.64
Otis Elevator Company (India) Limited^	11.26	9.61	8.24	9.19
Schindler India Private Limited	3.96	(2.60)	(4.11)	0.96
Techno Industries Private Limited	5.06	8.64	10.33	9.33

Note:
^ Consolidated
Operating margin = OPBDIT / Operating Income
Source: Company filings, Crisil Intelligence

EBITDA Margin (%)

EBITDA margin (%)	FY21	FY22	FY23	FY24
KONE Elevator India Private Limited	22.91	18.80	15.37	17.94
Otis Elevator Company (India) Limited^	13.01	11.15	9.86	11.14
Schindler India Private Limited	9.14	3.62	0.33	5.21
Techno Industries Private Limited	5.76	8.96	10.65	9.58

Note:
^ Consolidated
EBITDA margin =EBITDA / Total Income
Total Income = Operating Income + Non-Operating Income
Source: Company filings, Crisil Intelligence

PAT Margin (%)

PAT margin (%)	FY21	FY22	FY23	FY24
KONE Elevator India Private Limited	20.93	13.92	9.16	11.20
Otis Elevator Company (India) Limited^	9.58	7.52	6.35	7.56
Schindler India Private Limited	2.33	0.11	(1.70)	1.98
Techno Industries Private Limited	0.49	4.78	5.80	5.24

Note:
^ Consolidated
PAT margin = PAT / Operating income
Source: Company filings, Crisil Intelligence

Gearing Ratio

Gearing (times)	FY21	FY22	FY23	FY24
KONE Elevator India Private Limited	0.00	0.00	0.00	0.00
Otis Elevator Company (India) Limited^	0.00	0.00	0.00	0.00
Schindler India Private Limited	0.00	0.00	0.00	0.00
Techno Industries Private Limited	0.32	0.46	0.38	0.34

Note:
^ Consolidated
Gearing Ratio = Total Debt / Tangible Networth
Source: Company filings, Crisil Intelligence

Current Ratio

Current ratio (times)	FY21	FY22	FY23	FY24
KONE Elevator India Private Limited	1.31	1.27	1.16	0.86
Otis Elevator Company (India) Limited^	1.09	1.08	1.05	1.07
Schindler India Private Limited	1.06	0.91	0.87	0.89
Techno Industries Private Limited	2.01	1.77	1.74	1.81

Note:
^ Consolidated
Current Ratio = Current assets / Current liabilities
Source: Company filings, Crisil Intelligence

Return on Capital Employed (ROCE)

RoCE (%)	FY21	FY22	FY23	FY24
KONE Elevator India Private Limited	64.02	36.93	28.36	53.08
Otis Elevator Company (India) Limited^	133.82	126.66	143.40	172.97
Schindler India Private Limited	7.60	(1.27)	(14.11)	19.60
Techno Industries Private Limited	3.61	15.66	18.98	16.57

Note:
^ Consolidated
RoCE = Profit before interest and tax (PBIT)/ (Average total debt + average tangible networth + average deferred tax liability)
Source: Company filings, Crisil Intelligence

Overview of key players in induction motor and single phase motor Industry in India

Company name	Year established	No. of years of operation*
Bharat Bijlee	1946	78 years
Kirloskar Brothers	1888	136 years
KSB	1960	64 years
Roto Pumps	1968	56 years
Shakti Pumps	1982	42 years
Techno Industries	2000	24 years
WPIL	1952^	72 years

Note:
^ Incorporation year
** As on 2024*
Source: Crisil Intelligence, company website and annual reports, secondary research

Key financial parameters

Operating Income

Operating Income (Rs Million	FY21	FY22	FY23	FY24	9MFY25	CAGR (FY21-24)
Bharat Bijlee*	7310.49	12657.40	14184.96	18767.22	12,825.90	36.93%
Kirloskar Brothers^	27182.77	30590.65	37322.88	40023.40	32,109.00	13.76%
KSB^@	12134.39	15053.70	18326.50	22565.29	25,331.00	22.97%
Roto Pumps^	1285.77	1773.97	2275.49	2744.96	2,148.87	28.76%
Shakti Pumps^	9317.67	11814.32	9701.07	13707.39	18,509.20	13.73%
Techno Industries*	653.70	1318.40	1486.50	1675.50	N.A.	36.85%
WPIL^	9948.31	11812.78	17847.99	16653.53	12,350.14	18.74%

Note:
** Standalone*
^ Consolidated
@ The company has financial year end of 31st December. 9MFY25 numbers of KSB represents CY2024 numbers
N.A.: Not available
Source: annual reports, Crisil Intelligence

Operating profit before depreciation, interest, and tax (OPBDIT)

OPBDIT (Rs Million)	FY21	FY22	FY23	FY24	9MFY25	CAGR (FY21-24)
Bharat Bijlee*	392.18	873.57	1206.44	1795.08	1,039.40	66.04%
Kirloskar	2591.16	2075.42	4024.25	5065.90	4,197.00	25.04%

OPBDIT (Rs Million)	FY21	FY22	FY23	FY24	9MFY25	CAGR (FY21-24)
Brothers^						
KSB^@	1754.62	2241.41	2669.76	3087.42	3,375.00	20.73%
Roto Pumps^	313.57	480.98	577.79	655.50	427.05	27.86%
Shakti Pumps^	1441.57	1133.48	689.84	2248.32	4,390.10	15.97%
Techno Industries*	Techno Industries*	33.10	113.90	153.50	156.30	N.A.
WPIL^	WPIL^	1565.83	2102.40	3420.36	3042.09	2,127.10

Note:
** Standalone*
^ Consolidated
@ The company has financial year end of 31st December, 9MFY25 numbers of KSB represents CY2024 numbers
OPBDIT = Operating income - total expenses before interest tax, depreciation and extraordinary items
N.A.: Not available
Source: annual reports, Crisil Intelligence

Earnings before interest, tax, depreciation, and amortisation (EBITDA)

EBITDA (Rs Million)	FY21	FY22	FY23	FY24	9MFY25	CAGR (FY21-24)
Bharat Bijlee*	649.50	1109.29	1481.72	2086.35	1,339.20	47.55%
Kirloskar Brothers^	3010.58	2513.09	4369.70	5686.01	4,672.00	23.61%
KSB^@	1991.96	2497.68	2955.28	3347.00	3,877.00	18.88%
Roto Pumps^	320.31	492.21	580.47	700.12	454.96	29.78%
Shakti Pumps^	1458.22	1165.93	698.13	2283.95	4,516.60	16.13%
Techno Industries*	37.90	118.50	158.90	161.00	N.A.	61.96%
WPIL^	1645.29	2195.52	3548.97	3318.07	2,532.66	26.34%

Note:
** Standalone*
^ Consolidated
@ The company has financial year end of 31st December, 9MFY25 numbers of KSB represents CY2024 numbers
EBITDA = OPBDIT + non-operating income
N.A.: Not available
Source: annual reports, Crisil Intelligence

Profit After Tax (PAT)

PAT (Rs Million)	FY21	FY22	FY23	FY24	9MFY25	CAGR (FY21-24)
Bharat Bijlee*	260.50	555.79	832.23	1314.41	833.40	71.52%
Kirloskar Brothers^	1607.45	943.77	2357.66	3496.80	2,809.00	29.57%
KSB^@	937.84	1493.89	1827.41	2087.33	2,475.00	30.56%
Roto Pumps^	183.31	302.41	331.15	394.15	210.96	29.07%
Shakti Pumps^	755.86	648.16	241.32	1417.09	2,981.40	23.31%
Techno Industries*	3.20	63.00	86.20	87.80	N.A.	201.61%
WPIL^	986.89	1182.18	2196.77	6837.66	1,503.22	90.64%

Note:

** Standalone*
^ Consolidated
@ The company has financial year end of 31st December, 9MFY25 numbers of KSB represents CY2024 numbers
N.A.: Not available
Source: annual reports, Crisil Intelligence

OPBDIT Margin (%)

OPBDIT Margin (%)	FY21	FY22	FY23	FY24	9MFY25
Bharat Bijlee*	5.36	6.90	8.51	9.56	8.10
Kirloskar Brothers^	9.53	6.78	10.78	12.66	13.07
KSB^@	14.46	14.89	14.57	13.68	13.32
Roto Pumps^	24.39	27.11	25.39	23.88	19.87
Shakti Pumps^	15.47	9.59	7.11	16.40	23.72
Techno Industries*	5.06	8.64	10.33	9.33	N.A.
WPIL^	15.74	17.80	19.16	18.27	17.22

Note:
** Standalone*
^ Consolidated
@ The company has financial year end of 31st December, 9MFY25 numbers of KSB represents CY2024 numbers
Operating margin = OPBDIT / Operating Income
N.A.: Not available
Source: annual reports, Crisil Intelligence

EBITDA Margin (%)

EBITDA Margin (%)	FY21	FY22	FY23	FY24	9MFY25
Bharat Bijlee*	8.58	8.60	10.25	10.95	10.20
Kirloskar Brothers^	10.91	8.10	11.60	13.99	14.34
KSB^@	16.10	16.31	15.88	14.66	15.01
Roto Pumps^	24.78	27.57	25.48	25.10	20.90
Shakti Pumps^	15.62	9.84	7.19	16.62	24.24
Techno Industries*	5.76	8.96	10.65	9.58	N.A.
WPIL^	16.41	18.44	19.74	19.60	19.86

Note:
** Standalone*
^ Consolidated
@ The company has financial year end of 31st December, 9MFY25 numbers of KSB represents CY2024 numbers
EBITDA margin =EBITDA / Total Income
Total Income = Operating Income + Non-Operating Income
N.A.: Not available
Source: annual reports, Crisil Intelligence

PAT Margin (%)

PAT Margin (%)	FY21	FY22	FY23	FY24	9MFY25
Bharat Bijlee*	3.56	4.39	5.87	7.00	6.50
Kirloskar Brothers^	5.91	3.09	6.32	8.74	8.75
KSB^@	7.73	9.92	9.97	9.25	9.77
Roto Pumps^	14.26	16.98	14.55	14.36	9.82
Shakti Pumps^	8.11	5.49	2.49	10.34	16.11
Techno Industries*	0.49	4.78	5.80	5.24	N.A.
WPIL^	9.92	10.01	12.31	41.06	12.17

Note:
** Standalone*
^ Consolidated

@ The company has financial year end of 31st December, 9MFY25 numbers of KSB represents CY2024 numbers
PAT margin = PAT / Operating Income
N.A.: Not available
Source: annual reports, Crisil Intelligence

Gearing Ratio

Gearing Ratio	FY21	FY22	FY23	FY24
Bharat Bijlee*	0.24	0.25	0.21	0.08
Kirloskar Brothers^	0.28	0.32	0.18	0.09
KSB^@	0.07	0.00	0.00	0.00
Roto Pumps^	0.12	0.11	0.24	0.19
Shakti Pumps^	0.23	0.27	0.18	0.11
Techno Industries*	0.32	0.46	0.38	0.34
WPIL^	0.58	0.47	0.29	0.14

Note:
** Standalone*
^ Consolidated
@ The company has financial year end of 31st December
Gearing Ratio = Total Debt / Tangible Networth
Source: annual reports, Crisil Intelligence

Current Ratio

Gearing Ratio	FY21	FY22	FY23	FY24
Bharat Bijlee*	1.62	1.38	1.67	1.67
Kirloskar Brothers^	1.28	1.41	1.49	1.60
KSB^@	1.86	2.10	2.04	2.05
Roto Pumps^	2.29	2.42	1.73	1.69
Shakti Pumps^	1.72	1.59	1.94	1.82
Techno Industries*	2.01	1.77	1.74	1.81
WPIL^	1.36	1.38	1.41	1.92

Note:
** Standalone*
^ Consolidated
@ The company has financial year end of 31st December
Current Ratio = Current assets / Current liabilities
Source: annual reports, Crisil Intelligence

Return on Capital Employed (ROCE)

ROCE (%)	FY21	FY22	FY23	FY24
Bharat Bijlee*	5.03	7.42	8.61	10.26
Kirloskar Brothers^	17.83	12.56	23.53	30.11
KSB^@	15.32	21.11	23.40	23.48
Roto Pumps^	24.54	33.27	28.98	27.16
Shakti Pumps^	28.92	21.15	10.48	31.45
Techno Industries*	3.61	15.66	18.98	16.57
WPIL^	20.62	21.77	32.36	58.00

Note:
** Standalone*
^ Consolidated
@ The company has financial year end of 31st December
RoCE = Profit before interest and tax (PBIT)/ (Average total debt + average tangible networth + average deferred tax liability)
Source: annual reports, Crisil Intelligence

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OUR BUSINESS

Our company was established by the name of Climan Properties Private Limited on September 19, 1994, and converted into a public company along with a new certificate of incorporation on April 17, 2000. Climan Properties Limited was converted into Encon Technologies Limited and subsequently, to Lloyds Encon Technologies (I) Limited vide fresh certificate of incorporations dated April 19, 2000, and May 31, 2011, respectively. The name of Lloyds Encon Technologies (I) Limited was changed to Lloyds Steels Industries Limited and a fresh certificate of incorporation was issued on May 04, 2013. The equity shares of Lloyds Steels Industries Limited were listed on the BSE Limited and National Stock Exchange of India Limited pursuant to a scheme of arrangement between Uttam Value Steels Limited and Lloyds Steels Industries Limited. Our Company's CIN No. is L28900MH1994PLC081235.

For listing of shares of Lloyds Steels Industries Limited application for relaxation of strict enforcement of Rule 19(2)(b) of Securities Contracts (Regulations) Rules, 1957 ("Rules") was made under Rule 19(7) of the Rules read with SEBI Circular no. CIR/CFD/DIL/5/2013 dated February 4, 2013, and SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013. The name of our company was changed from Lloyds Steels Industries Limited to Lloyds Engineering Works Limited, vide a fresh Certificate of Incorporation dated July 25, 2023 issued by the Registrar of Companies, Mumbai and relevant disclosures under Regulation 30 were made within the stipulated time of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with relevant filings under the Companies Act, 2013.

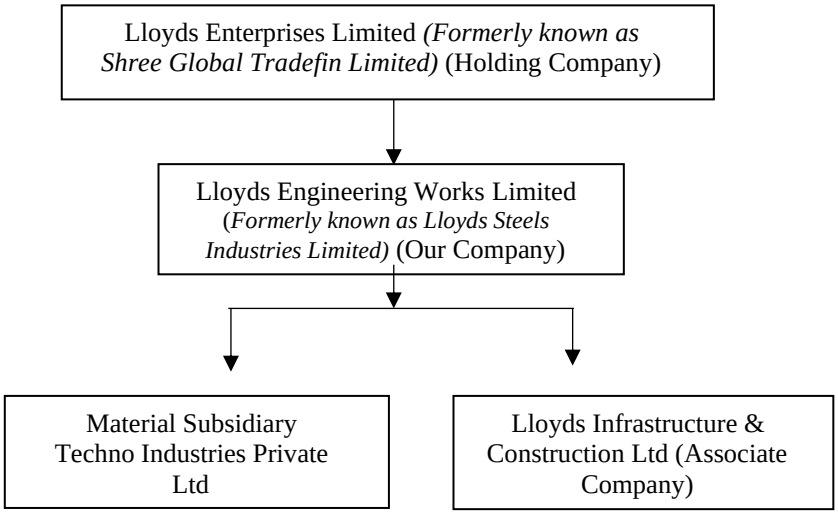
Furthermore, in May 2021, there was a significant change in the management of the Company due to a takeover in accordance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. As a consequence, Lloyds Enterprises Limited (Formerly known as Shree Global Tradefin Limited) (promoter of Lloyds Metals and Energy Limited) emerged as the new promoters of the Company, taking over the management and control from promoter entities of UVSL belonging to Miglani family of Uttam group.

Following table lists the details of changes in the name of our Company since inception:

From	To	Reason	Compliance with Companies Act, 1956/2013,	Compliance with SEBI ICDR	Compliance with SEBI LODR	Date of Incorporation/ Name Change
Climan Properties Private Limited	-	Not Applicable	Complied	N/A	N/A	September 19, 1994
Climan Properties Private Limited	Climan Properties Limited	Company became a public limited company.	Complied	N/A	N/A	April 17, 2000
Climan Properties Limited	Encon Technologies Limited	To carry on the business of manufacturing steel, fabricators of equipment and machineries	Complied	N/A	N/A	April 19, 2000
Encon Technologies Limited	Lloyds Encon Technologies (I) Limited	To provide new identity to the Company in the market and the new	Complied	N/A	N/A	May 31, 2011

From	To	Reason	Compliance with Companies Act, 1956/2013,	Compliance with SEBI ICDR	Compliance with SEBI LODR	Date of Incorporation/ Name Change
		name reflects nationwide activities of the Company.				
Lloyds Encon Technologies (I) Limited	Lloyds Steels Industries Limited	As a result of, alteration of Main Object Clause of the Company, name of the Company was changed to reflect the proposed new business activities.	Complied	N/A	N/A	May 04, 2013
Pursuant to a scheme of arrangement ("**Scheme**") between Uttam Value Steels Limited ("**UVSL**") and Lloyds Steels Industries Limited, the engineering division of UVSL was demerged from UVSL into Lloyds Steels Industries Limited (approved by the Hon'ble High Court of Judicature at Bombay vide its order dated October 30, 2015 and speaking to minutes of the order dated November 30, 2015). Lloyds Steels Industries Limited was listed in pursuance to the relevant regulations including, SEBI circular no. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with SEBI circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013,in relation to an application under Rule 19(7) of the Securities Contract Regulation Rules, 1957 to relax the strict enforcement of Rule 19(2)(b) of the said Securities Contracts (Regulations) Rules, 1957 on BSE Limited and National Stock Exchange of India Limited on July 18, 2016.						
Lloyds Steels Industries Limited	Lloyds Engineering Works Limited	Change in the name of the Company to be in sync with the activities already being carried out by the Company	Complied	N/A	Complied	July 25, 2023

Organizational structure/diagram of the Company and brief details about subsidiary/holding company, if any:



Our Company and Material Subsidiary

Our Company is a process plant equipment manufacturing company. Our Company, *inter alia*, provides engineering and infrastructure solutions, encompassing designing, engineering, manufacturing, fabrication and installation of heavy equipment, as well as machinery and systems for customers of hydrocarbon (oil & gas) sector, steel processing industries, captive power plants used in steel plants, marine sector, ports, heat exchangers used by nuclear power plants as well as other projects. We also offer services in civil construction related projects.

The Board of Directors of our Company, in the Board Meeting held on July 30, 2024, subject to approval of our shareholders, approved the acquisition of shares of Techno Industries Private Limited ("**Techno**") in three (3) tranches (Consisting of Swap of Shares and Cash) and accordingly entered into a share purchase and shareholders agreement dated July 30, 2024, with the shareholders of Techno. On August 29, 2024, our shareholders approved the swap of equity shares for the first tranche of this acquisition. The consideration for the first tranche was to be settled by way of issuance of equity shares of our Company, valuing ₹ 15,000.00 Lakhs (i. e. 82,50,000 equity shares of Techno, equating to 66% of Techno's outstanding equity shares), on swap basis, as per preferential issue guidelines, to the shareholders of Techno, and accordingly, 1,76,05,634 equity shares of our Company were allotted on October 15, 2024 to Bharat J Patel *(erstwhile promoter of Techno)*, and also by way of payment of cash of ₹ 2,500.00 Lakhs to Bharat J Patel, which has been paid on October 21, 2024, in exchange of 13,75,000 equity shares, equating to 11% of the total outstanding equity shares of Techno. As per SEBI Listing Regulations, since Techno has contributed to more than 10% of our income (revenue) as well as net worth for Fiscal 2024, it is our Material Subsidiary.

Techno is engaged in the business of manufacturing and marketing of elevators and escalators, motors and pumps and pursuant to its acquisition, our Company has forayed in the business of manufacturing and marketing of pumps, motors, elevators and escalators.

We set out below details of changes in the name of Techno Industries since inception:

Name change from	Name change to	Reason	Compliance with Companies Act, 1956/2013,	Compliance with SEBI ICDR	Compliance with SEBI LODR	Date of Incorporation / Name Change
Techno Drive Electricals Private Limited	-	Not Applicable	Complied	N/A	N/A	May 01, 2000
Techno Industries Limited and Techno Submersible Private Limited amalgamated with Techno Drive Electricals Private Limited	Techno Drive Electricals Private Limited	Amalgamation through Gujarat High court	Complied	N/A	N/A	February 28, 2008
Techno Drive Electricals Private Limited	Techno Industries Private Limited	Not Applicable	Complied	N/A	N/A	May 07, 2008
Techno Industries Private Limited	Techno Industries Limited	Conversion from private limited company to unlisted public limited company	Complied	N/A	N/A	May 27, 2008
Techno Industries Limited	Techno Industries Private Limited	Conversion of unlisted public limited company to Private Limited Company	Complied	N/A	N/A	December 07, 2017

A summary of industry wise revenue of our Company for nine months ended December 31, 2024, Fiscal 2024, and Fiscal 2023 are provided in the below table:

(₹ in Lakhs)

Industry	As on December 31, 2024	Fiscal 2024	Fiscal 2023
Steel processing industries	54,425.06	46,475.50	24,446.14
Hydrocarbon (oil and gas)	2,241.56	6,061.40	3,686.70
Naval and Defence	97.38	1,135.35	928.45
Power	19.21	8,057.47	535.04
Ports/Jetties/Refineries/Marine	709.93	405.02	347.34
Miscellaneous	235.48	288.87	1,317.31

Industry	As on December 31, 2024	Fiscal 2024	Fiscal 2023
Total	**57,728.62**	**62,423.61**	**31,260.98**

A summary of industry wise revenue of Techno* for nine months ended December 31, 2024, Fiscal 2024 and Fiscal 2023 are provided in the table hereunder:

(₹ in Lakhs)

Industry	As on December 31, 2024	Fiscal 2024	Fiscal 2023
Elevators	7,866.72	14,117.94	13,446.53
Motors	1,562.48	1,801.59	331.38
Pumps	612.50	813.05	1,055.09
Total	**10,041.70**	**16,732.58**	**14,833.00**

** Techno became our material subsidiary with effect from October 15, 2024*

Our Company has five (5) workshops, which are located in Murbad, Thane, Maharashtra. Four (4) of these workshops are accredited by SGS, UK with ISO 9001:2015 certification. Our Material Subsidiary, Techno's two (2) Factories, accredited by Royal Assessments Private Limited with ISO 45001: 2018 certification, are located at Phase IV, GIDC Vatva, Gujarat. Additionally, our Company, as well as Techno, engage third-party service providers to meet our contractual commitments to clients. These services encompass, but are not limited to, conversion facilities, fabrication, plate bending, plate cutting, installation, erection, and assembly.

The key products manufactured by our Company and Techno, *inter alia*, includes (i) industrial process plant equipment such as high-quality Pressure Vessels, Columns and Heat Exchangers, (ii) steel plant equipment, such as Blast Furnace, Coke Oven and Slab Caster, (iii) Waste Heat Recovery Boilers, including Atmospheric Fluidised Bed Combustion (AFBC) / Circulating Fluidised Bed Combustion (CFBC) boilers, which are used to recover heat from the waste flue gases produced in various industrial processes, (iv) Gas / Air dryers, (v) marine/truck/wagon loading arms, (vi) naval steering gear & stabilizer systems with controls (electro-hydraulic & mechanical), (vii) Industrial Elevator used for Power Plant and Cement Plant (viii) Passenger Elevator used for residential projects by builder of government housing projects, (ix) Different HP/KV General purpose motors (x) Fire Fighting Motors (xi) Submersible/Solar Motor and Pump sets.

Raw materials for engineering related products primarily comprise of plates, tubes, flanges, fasteners, pipes and related fittings, nozzles etc. sourced in various grades and sizes of steel and alloys of steel, from the open market and imports, bought-out items are sourced from customer / project consultant accredited vendors Raw materials for civil construction related projects which primarily comprise of cement, thermo-mechanically treated (TMT) bars, ready mix concrete (RMC), construction aggregates, sand, structural steel, are sourced from the open market.

The raw materials required by Techno for their engineering-related products primarily comprises of steel, rails, machines elevator related motor, elevator related doors, panel (motor and doors are both purchased and manufactured in-house) wire rope, copper, stamping, magnet and other electric items etc. sourced in various grades and sizes of steel and rails, from the open market and imports (rails and magnet). Raw materials like machines, doors wire rope, copper, stamping and other materials, are sourced from the open market.

Techno Industries Private Limited

Techno Industries Private Limited (CIN U32109GJ2000PTC037915L) was originally incorporated on May 1, 2000, as Techno Drive Electricals Private Limited. Techno is engaged in the business of manufacturing and marketing of elevators and escalators, motors and pumps.

The registered office of Techno is situated at Plot No. 5002, Phase IV, GIDC Vatva, Ahmedabad, Gujarat 382445. The main objects of Techno, as mentioned in its memorandum of association are:

1. *To carry on the business as manufacturer, manufacturer's representative, exporters, importers, agents, dealers, distributors, assemblers, repairers, traders of all classes, kinds, types, nature and description of electric motors, pumps, submersible and mono pumps, starters, stampings, transformers, starters and components, spares and accessories thereof.*
2. *To carry on the business of designing, developing, fabricating, processing, repairing, assembling, buying,*

selling, re-selling, hiring, letting on hire, to provide all kind of maintenance related services and dealing in all kinds of elevators operated by use of electricity or mechanical force and work of all varieties and description.

The salient features of the Share Purchase and Shareholders Agreement entered on July 30, 2024 between Our Company and the Shareholders of Techno are as under:

1. The total consideration for the acquisition is payable in three (3) tranches, wherein the first tranche consists of ₹ 17,500 Lakhs, which in turn is payable in two (2) modes, i.e. (a) issue of Equity Shares of our Company to the shareholder(s) of Techno for 66% of current outstanding shares of Techno i.e. preferential issue of our Equity Shares, i.e. allotment of 1,76,05,634 Equity Shares of ₹ 1/- each, in accordance with applicable provisions of SEBI ICDR Regulations and other applicable laws, and (b) Payment of ₹ 2,500 Lakhs in cash for acquisition of 11% of current outstanding shares of Techno ;
2. The second tranche of the consideration, payable in cash is ₹ 2,500 Lakhs for acquisition of 11% of current outstanding shares of Techno, is to be made out from the proposed Rights Issue Proceeds. Consequent to the second part acquisition, we would be holding 88% of current outstanding equity shares of Techno.
3. The third tranche of the consideration for the acquisition of balance 12% of current outstanding shares of Techno is payable within three (3) years from the first closing by issue of Equity Shares of our Company to the shareholders of Techno either through (i) a merger of Techno with our Company; or (ii) through a preferential issue of Equity Shares of our Company to the shareholders of Techno in accordance with applicable provisions of SEBI ICDR Regulations and other applicable laws. For the purpose, valuation of Techno will be calculated at 9.25 times the EBITDA of Techno in accordance with the audited financial statements of Techno immediately preceding the date of the transfer.

Acquisition of Engineering Assets of Bhilai Engineering Corporation Limited

On October 10, 2024, the Board of Directors of LEWL approved the acquisition of the assets of the Engineering Division of Bhilai Engineering Corporation Limited (BECL), located in Bhilai, Durg, Chhattisgarh – 490026. According to the Memorandum of Understanding (MoU) signed on October 10, 2024, Bhilai Engineering Corporation Limited ("Seller") agreed to sell, and LEWL ("Purchaser") agreed to acquire, Engineering Assets of Bhilai Engineering Corporation Limited for a total cash consideration of ₹ 7500 Lakhs. This includes rights to the land lease, buildings, machineries, and temporary structures. This acquisition aligns with LEWL's strategic goals by strengthening its operational capabilities and expanding its asset base.

About Engineering Division of BECL

The Engineering Division of Bhilai Engineering Corporation Limited is a specialized provider of manufacturing solutions for industries in the metals, minerals, railways, and power sector. BECL's engineering division offers tailored solutions for its clients, supporting a range of industrial applications through its expertise in these sectors This acquisition adds significant value to LEWL's position in the marketplace.

Investment in Lloyds Infrastructure & Construction Limited (Associate Company)

On January 23, 2025, the Board of Directors of our company approved additional investment / acquisition of 4,90,00,000 equity of ₹1 each at a price of ₹ 2.90 per equity share, aggregating to ₹1,421 Lakhs in Lloyds Infrastructure & Construction Limited ("**LICL**"). Following the Board approval, investment in LICL was made, consequent to which LICL became an Associate of our company. Pursuant to this acquisition, our company's holding in LICL is 24.50% of its equity share capital.
The details of shareholding is as under:

Pre-Acquisition of shares		**Post-Acquisition of shares**	
Number of Shares held in Lloyds Infrastructure and Construction Limited	Percentage (%)	Number of Shares held in Lloyds Infrastructure and Construction Limited	Percentage (%)
4,90,00,000 Equity Shares of Re. 1 each.	12.25	9,80,00,000 Equity Shares of Re. 1 each.	24.50%

The Main Objects of Lloyds Infrastructure & Construction Limited is:

1. To carry on the business activities relating to Engineering Procurement construction (EPC), Other constructions, modification, repairing, alteration, construction, removal, redecoration, designing, redesigning, enlarging, improving, , Engineering, and to erect, fabricate, execute, build, carry out, equip, alter, repair, remodel, decorate, re-decorate, demolish, develop , re-develop, improve, furnish, administer, manage or control, grade, curve, pave, macadamize, and maintain the road Infrastructures, bridge Infrastructures, railway Infrastructures, buildings, structures, houses, apartments, townships, multi-storeyed housing/commercial complexes, layouts, landscapes, hospitals, hotels, resorts, schools, places of worship, highway roads, paths, streets, sideways, seaports, airports, canals, reservoirs, power projects gardens, Slurry pipelines, flyovers, subways, pavements, Industrial civil work, and other construction works such as earthworks, embankments, dredging, water supply, plumbing and sanitary water purification, irrigation, canals, tanks, reservoirs, dams, drainage and sewage disposal works, foundations, tunnels, wells, piles, docks, harbours, piers, jetties, wharves, air-fields, hangers, hydro-electric works, warehouses, factories.
2. To carry on activities of Design, Engineering, Fabrication, Erection, and Installation of Steel structures, Technological structures, Electrical Equipment's, Control & Instrumentation, Mechanical & Utilities Such as Fire fighting, Dust suppression/ extraction, Heating ventilating and air conditioning (HVAC) etc.
3. To carry out in India or abroad the business of establishing, designing, re-designing, engineering, construction, commissioning, setting up, operating and maintaining of Solar Power Plants, Pumped Storage Hydro-Electric projects, substation constructions, electric power transmission systems/networks, power systems and generating stations based on conventional/non-conventional resources for evacuation, transmission, distribution, trading or supply of power through establishing or using stations, tie-lines, sub-stations and transmission or distribution lines in any manner.
4. To carry on the business activities on contracts either individually or as a joint venture /business alliance with any other company/ firm/individual/consultant of any type either government or private or semi-private whether national or international in various business models including build, own and transfer (BOT), and/or build, own and operate (BOO) and/or build, own, lease and transfer (BOLT) and/or build, own, operate and transfer (BOOT) and/or Public Private Partnership (PPP) Models and the same can be carried out on own account basis or on a fee or contract basis.

Industries Served:

The products we manufacture, which also includes the products of Techno, are used by various industries. Some of our products and the corresponding industries they are used in are listed below:

Industry	Products
Hydrocarbon	Designer & manufacturer of process equipment & packages such as pressure vessels, columns, heat exchangers, reactors, digesters & desalters, tanks, steam drums, scrubbers and accumulators, air/gas/liquid drying units, waste heat recovery boilers, LPG mounded vessels, skids, etc.
Steel	Ball grinding mills & rotary dryers, equipment for steel melting shop, hot rolling mill equipment, equipment for continuous slab casters, rotary kiln, cooler & After Burner Chamber (ABC)/Differential Scanning Calorimetry (DSC) equipment for sponge iron plant, cold rolling mill equipment, tunnel furnace equipment, manufacturing of equipment based on client design and drawings such as roll on shield & steam generator supporting structure. Steel plant equipment & machinery as per client/ consultant design &drawings for Steel Metal Shop(SMS), Hot Strip Mill(HSM), coke, blast furnace, plate mill, cold rolling mill, Hot Rolling Mill(HRM), coke oven, pellet plants, slab caster, sponge iron, WHR boiler, AFBC / CFBC / grate boilers, DRI plant, ball mills, Waste Heat Recovery(WHR)/Atmospheric Fluidised Bed Combustion(AFBC) /Circulating Fluidised Bed Combustion (CFBC) boilers, power plants, Eco Pickling systems, etc.
Naval and Defence	Manufacturing and supplying various products such as, Fin Stabiliser required to be setup in various Navy warships etc.
Ports/Jetties/Refineries/ Marin	Design, engineering & supply of critical components such as Swivel Joints, Seals, Electro-Hydraulic Steering Gear for Marine ships, Coupler Hydraulic

Industry	Products
	valve etc. Manufacture variety of marine, truck, and rail loading arms for LPG, petroleum, chemical, and sulphur products.
Power	Design and manufacturing of thermal power plants and their various equipment such as boilers, condensers, heaters, tanks & vessels etc.
Electrical Equipment*	Manufacturers, exporters and vendors of electrical equipment, such as elevators, escalators, motors and pumps

** Through our subsidiary, Techno Industries Private Limited*

Our key products

a) **Industrial Process Plant Equipment**

We specialize in the design and manufacturing of Process Plant Equipment. Our expertise lies in crafting high-quality Pressure Vessels, Columns, Heat Exchangers, Reactors, Steam Drums, and other static equipment used in a wide range of industries, including refineries, petrochemicals, power neration, chemical processing, and Oil & Gas sector.

The main utilities of these process plant equipment is to: (i) Store the fluids in Pressure Vessels; (ii) Process the fluids in Columns & Reactors; (iii) Transfer Heat in Heat Exchangers and Steam Drums to the Boilers

b) **Steel Plant Equipment, Machinery and Packages**

Our expertise lies in heavy fabrication, precision machining, and seamless assembly for units such as, Steel Melting Shop, Hot Strip Mill, Cold Rolling Mill, Hot Rolling Mill, Blast Furnace, Coke Oven, Slab Caster, which are sub-units of an integrated steel plant, which play a pivotal role in producing steel products and valuable by-products.

In addition to these essential components, we also specialize in providing solutions for Direct Reduced Iron Plants; Pellet Plants; Waste Heat Recovery Boilers including Atmospheric Fluidised Bed Combustion / Circulating Fluidised Bed Combustion Boilers, for conversion of recovered heat into useful and effective energy generation by the Captive Power Plants, which are vital for the smooth operation of steel plants and the production of a wide array of steel products and by-products.

c) **Waste Heat Recovery Boilers including Atmospheric Fluidised Bed Combustion (AFBC) / Circulating Fluidised Bed Combustion (CFBC) Boilers**

We design and manufacture Waste Heat Recovery Boilers which are used to recover heat from the waste flue gases produced in various industrial processes that would otherwise be wasted and convert it into useful energy, typically in the form of high-pressure steam. The recovered heat can be utilized for various purposes, such as generating additional power or providing process steam for various industrial operations.

In addition to our Waste Heat Recovery Boilers, we also manufacture high-performance Oil-Fired Boilers. These boilers are designed to generate steam specifically for process purposes, catering to a wide range of industries.

We have executed Waste Heat Recovery Boilers up to 5000Nm3//Hr capacity having capability to execute up to 20000Nm3/Hr





d) **Gas / Air Dryers**

We are designer and manufacturer of air/gas drying units for process industries. Our units remove moisture and other impurities from air and gas, making them suitable for use in a variety of applications, including the oil and gas industry.

We have been executing Air, Gas & Liquid Dryer Packages with scope including Process Design, Thermal Design, manufacturing, Inspection & Testing as per IBR & customer specification.

e) **Marine / Truck/ Wagon Loading Arms**

Loading arms are specialized mechanical devices used in industries to safely and efficiently load or unload various fluids (liquids or gases) into or from tankers, trucks, railcars, or other transportation vessels. They provide a flexible and ergonomic solution for transferring fluids between storage tanks and vehicles, eliminating the need for manual handling and reducing the risk of spills, accidents, and injuries.

We supply a variety of marine, truck, and rail loading arms for LPG, petroleum, chemical, and sulphur products.





f) **Naval Steering Gear & Stabilizer systems with Controls (Electro-Hydraulic & Mechanical)**

The Electro-Hydraulic Steering Gear on Marine Ships are used to facilitate turning of Ships as desired by Operator (Helmsman)/ pilot of the Ship. This is done by turning the Rudders of the Ship through Hydraulic Cylinders actuated via hydraulic system controlled by Electronic Controls remotely from Steering posts viz. Bridge, Wheelhouse, Emergency Steering Post, Aft. Steering Post as per operator's requirement.

The Electronic consoles are provided to facilitate steering of ship in Follow-Up (FU) Mode & Non-Follow Up (NFU) Mode. An Autopilot is provided on Client's request for course keeping of the Ships on a pre-set course automatically. Two Modes namely Auto Course Mode and Auto Track Mode are

provided for Autopilot. Both these systems are equipped with modern and sophisticated controls in present Naval ships

g) **Eco-Pickling**

Eco-Pickled Surface (EPS Gen 4) is an environmentally conscious and advanced pickling technology that offers significant benefits over traditional pickling methods, EPS Gen 4 significantly reduces the ecological footprint by eliminating the need for hazardous acids, minimising pollution, and providing a safer working environment. This technology is asset-light compared to primitive pickling methods, reducing operational costs and thus optimising resource allocation for the user industry.

h) **Elevators and Escalators**

Techno engages in design, manufacturing and installation of a wide range of elevators and escalators. Techno's products include passenger elevators, freight elevators and service elevators, each tailored to meet specific needs of different category of customers comprising of commercial, residential, industrial and government.

Techno offers elevators with weight capacities ranging from 0.50 tonnes to 5 tonnes, catering to a wide array of clients, including corporates, government, and the residential sector. The company currently has an annual production capacity of 2,500 units per year.





i) **Pumps and Motors**

Techno's product portfolio features centrifugal pumps, gear pumps, electric motors in various capacities and configurations. These pumps and motors are essential for fluid transfer, circulation, and mechanical drive applications in industries such as manufacturing, water treatment, infrastructure, etc. The company has an annual production capacity of 45,000 units across all types of pumps, including submersible, solar, firefighting pumps, and electric motors.





Our Order Book:

We set out below an overview of our Order Book as well as of Techno for the nine (9) months period ended December 31, 2024, and for Fiscal 2024 and Fiscal 2023:

For our Company:

(₹ in Lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023
Opening Order Book	90,431.95	68,294.28	37,715.85
Orders Received (including amendments)	95,109.67	84,569.10	61,839.41
Orders Executed	57,728.62	6,2431.43	31,260.98
Closing Order Book	1,27,813.00	90,431.95	68,294.28

As certified by our Statutory Auditor, S Y Lodha and Associates, Chartered Accountants, vide certificate dated March 25, 2025

For Techno:

(₹ in Lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023
Opening Order Book	4,509.13	6,153.64	5,998.50
Orders Received (including amendments)	12,664.58	14,518.24	15,429.60
Orders Executed	10,041.69	16,162.75	15,274.46
Closing Order Book	7,132.02	4,509.13	6,153.64

As certified by Dipal R. Shah & Co., Chartered Accountants, vide their Certificate dated March 24, 2025

Our Locations (Lloyds):

We operate from the following premises:

Registered Office of Company	Plot No. A-5/5 MIDC Industrial Area, Murbad, Thane 421401, Maharashtra
Corporate Office of Company	Madhu Estate, A-2, 2nd Floor, Pandurang Budhkar Marg, Lower Parel, Mumbai 400013
Workshop Locations	Plot No. A 5/4 MIDC Industrial Area, P.O. Murbad, Thane 421401, Maharashtra Plot No. A 5/5 MIDC Industrial Area, P.O. Murbad, Thane 421401, Maharashtra Plot No. A 6/3 MIDC Industrial Area, P.O. Murbad, Thane 421401, Maharashtra Plot No. A 8/4 MIDC Industrial Area, P.O. Murbad, Thane 421401, Maharashtra Plot No. K3, Additional MIDC Industrial Area, Kudavali Village, P.O. Murbad, Thane 421401, Maharashtra

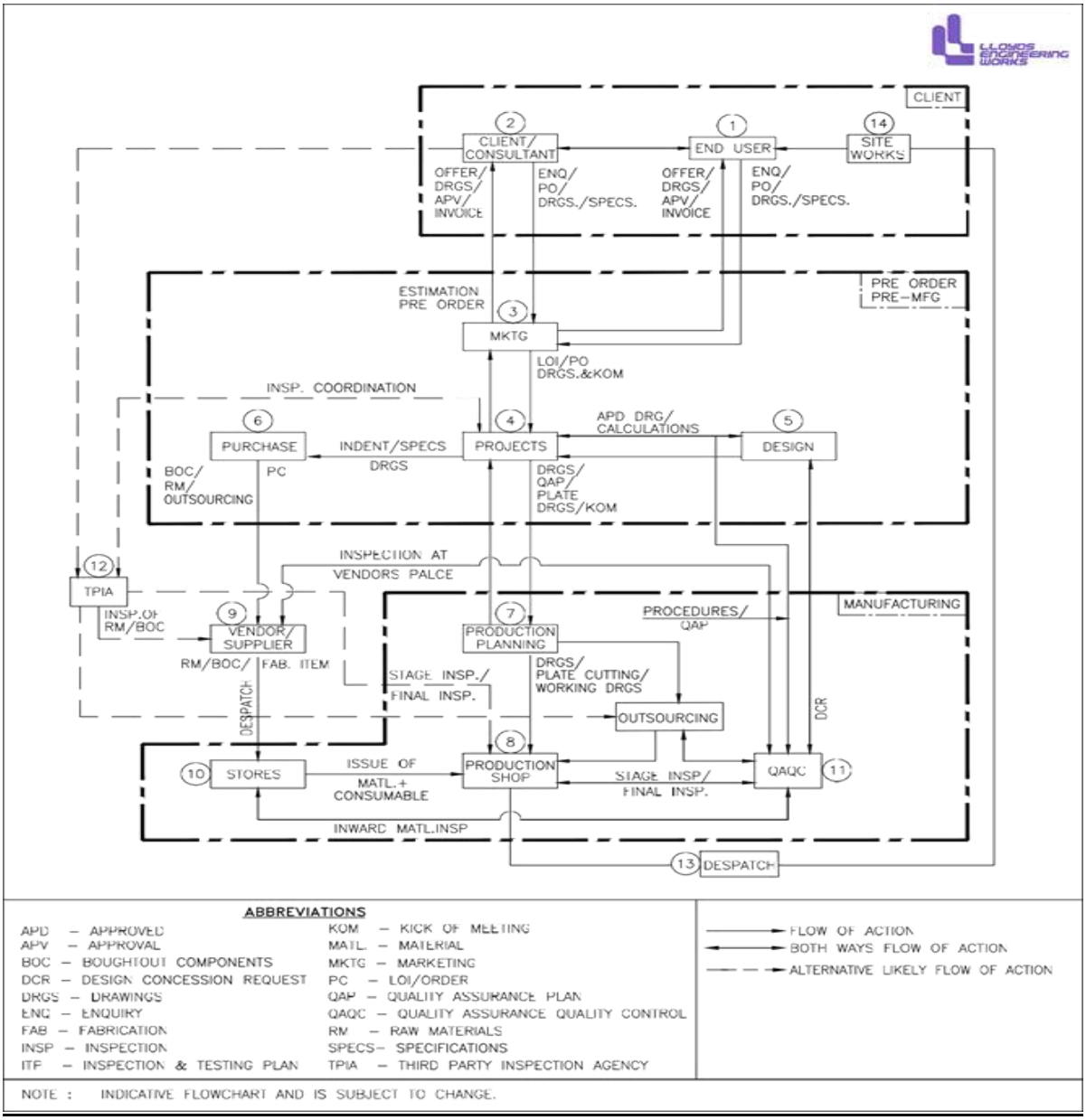
Our Locations (Techno):

Techno operates from the following premises:

Registered Office and Factory Location of Company	Plot No 5002, Nr Indo German Tool Room, GIDC Phase IV, Vatva, Ahmedabad 382445, Gujarat
Second Factory Location	Plot No 505, GIDC Phase – IV, Vatva, Ahmedabad 382445, Gujarat
Godown/Administration Office	Office No. F-112, Swaminarayan Business Park, Near Narol Circle, Narol, Ahmedabad - 382405
Sales and Marketing Office	3rd Floor, Techno House/ Netvision House, B/H Claris Tower, Opp.: Sangita Complex, Near Parimal Crossing, Ambawadi, Ahmedabad 380006, Gujarat
Sales and Service office	Surat Branch - 204/Green Atria, B/h Green Elina, Opp. Sankul Wadi, Anand Mahal Road, Surat, Gujarat - 395009
Sales and Service office	Delhi Branch – Shop No. 21, Karampura Shopping Centre, Karampura, New Delhi - 110015
Sales and Service office	Nagpur Branch - 27-B, Ramnagar Telangkhadi, Nagpur, Maharashtra - 440010
Sales and Service office	Kudgi Branch - Mastaniya Nagar-2, Behind SBI Bank, Opp. Gram Panchayat, Kudgi, Dist. Vijapur, Karnataka - 586121
Sales and Service office	Mumbai Branch- Madhu Estate, A-2, 1st Floor, Pandurang Budhkar Marg, Lower Parel, Mumbai 400013
Sales and Service office	Rajkot Branch- Balaji Krupa, Vrundavan Society, Panchyat Chowk, University Road, Rajkot

Manufacturing and Execution Process for Lloyds

We set out below the design and execution process undertaken by us for our products.



We set out below our business process, which encompasses customer acquisition, marketing, conceptual design, engineering, procurement of raw materials, manufacturing, inspection and testing.

(a) **Customer**

Customer can be a Project Management Company appointed by End Users like Refinery, Fertilizer Plant or End Users themselves. They share their various requirements of equipment, skids, plants, etc. to us based upon their ongoing project requirement through their formal enquiries. Based on mutual agreement, Customer issues. Purchase Order for their required equipment/ machinery. For the smooth execution at supplier's end Customer may depute Third Party Inspection Agency (TPI) to carry out stage-wise inspection.

(b) **Marketing**

The Marketing Department exchanges various data inside as well as outside of organization. Marketing official co-ordinate with the client to get their technical requirement. Upon checking the engineering and manufacturing feasibility Marketing Department submit formal Techno-commercial quotation to client.

Upon mutual agreements on Technical and Commercial aspects, the customer places formal Purchase Order. The Marketing Department shares this Purchase Order requirement through inter-departmental meeting with Engineering, Project, Procurement, Manufacturing, Quality Assurance (QA) /Quality Control (QC) and Logistics Department of the Company.

(c) **Project**

Followed by receipt of the purchase requirement from Marketing Department. Project Department. Understands the requirement of deliverables, scope of supply and work, timelines, specifications, procedural requirements, if any. Project Department establishes communication with Client and within organization for smooth execution of the Purchase Order requirements. Project Department becomes center point of communication and leads the execution till dispatch. Project Department execute the work necessity for smooth and timely completion through various department of company viz. Engineering, Procurement, Planning, Manufacturing, Quality Control, Logistics etc. within the timeline and budget prescribed by the management.

(d) **Design**

After receipt of the requirement from Marketing Team and understanding the technical requirements, Design Department establishes contact with customer through Project Department. Design department will be responsible for Engineering Deliverable such as General Arrangements (GA) Drawings, Fabrication Drawings, Bill of Materials. Etc. They have to get these drawings approved within specified timelines. Followed by approval to the drawings engineering department further issues General Arrangements (GA) Drawings, Fabrication Drawings, Bill of Materials. Etc. with Planning & Production, Quality Assurance (QA) / Quality Control (QC) and Projects for their further procurement of raw materials, planning and arrangement of resources.

(e) **Procurement**

After receipt of the formal approval to the engineering Drawings, Project Department formally issues their material requirement i.e. indents. The Purchase Department, through their approved vendor list arranges quotation and obtains the clearance for procurement from the Project Department/Management. Purchaser becomes responsible for arranging the raw material and bought out items from vendors within the prescribed timeline and budget. Material will be delivered/made available for further manufacturing upon technical clearance by Quality Control Department.

(f) **Stores**

Stores Department gives details of the raw material available in stock in order to manage the inventory. This stock management is directly in control under management through Purchase Department.

(g) **Production and Planning**

Followed by inter-department meeting by Project Department and receipt of the formal production Drawings and Bill of Materials, Production and Planning Department altogether allocate resources i.e. labour, tools and tackles, production cycles for timely delivery of the Purchase Order. Their stage-wise manufacturing processes are controlled by Quality Control Department based on the Quality Control Plan. Job dispatch clearance will be issued by Quality Control Department after necessary testing and checking.

(h) **Quality Control**

Followed by inter-department meeting by Project Department and receipt of the formal production Drawings and Bill of Materials, Quality Control Department gets approval to their Quality Control Plan in tandem with General Arrangements (GA) Drawings approval. Based on the Quality Control Plan, Quality Control Department carryout stage wise inspection activities to get the final product as per requirements given in the Purchase Order. Quality Control Department is responsible for developing manufacturing process, welding standards, Quality Management System in various functional work

within the organization. The Quality Control Department is responsible for implementation of the Quality Management System throughout the organization.

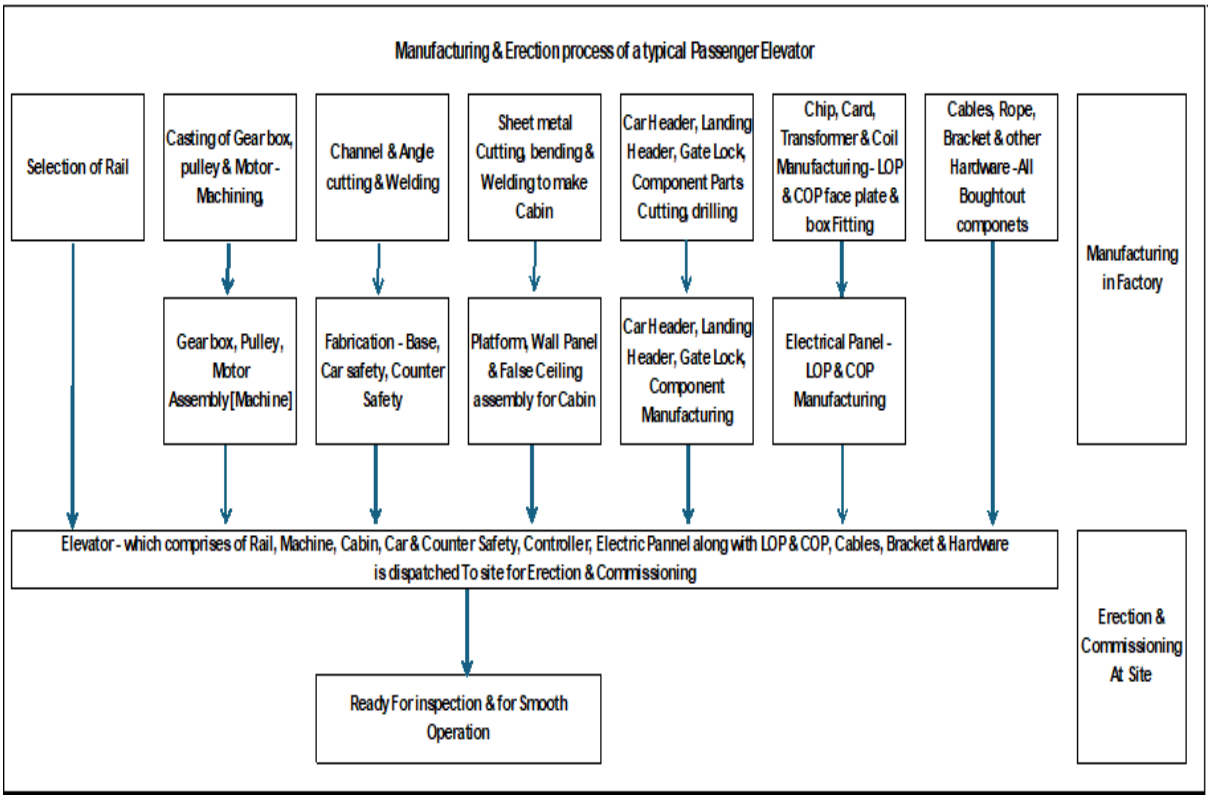
(i) **Dispatch & Logistic**

After receipt of Job Dispatch, clearance will be issued by Quality Control Department after necessary testing and checking. The Project Department in co-ordination with the Accounts and Finance Department issues final invoice to Client. After completion of all formalities, Logistic Department in coordination with the Project Department makes necessary arrangement of dispatch documents and vehicle for transportation of the job to the prescribed destination as per Customer Purchase Order.

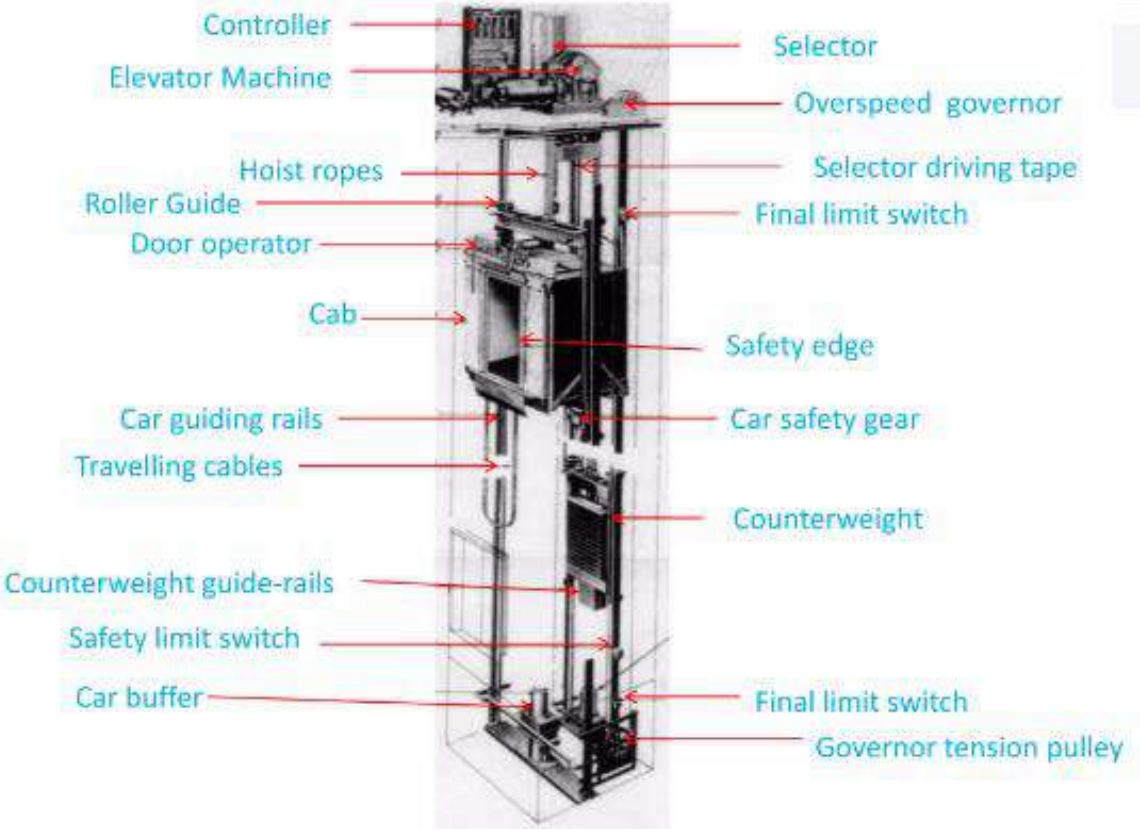
Manufacturing and Execution Process for Techno

We set out below the design and execution process undertaken by us for our products:

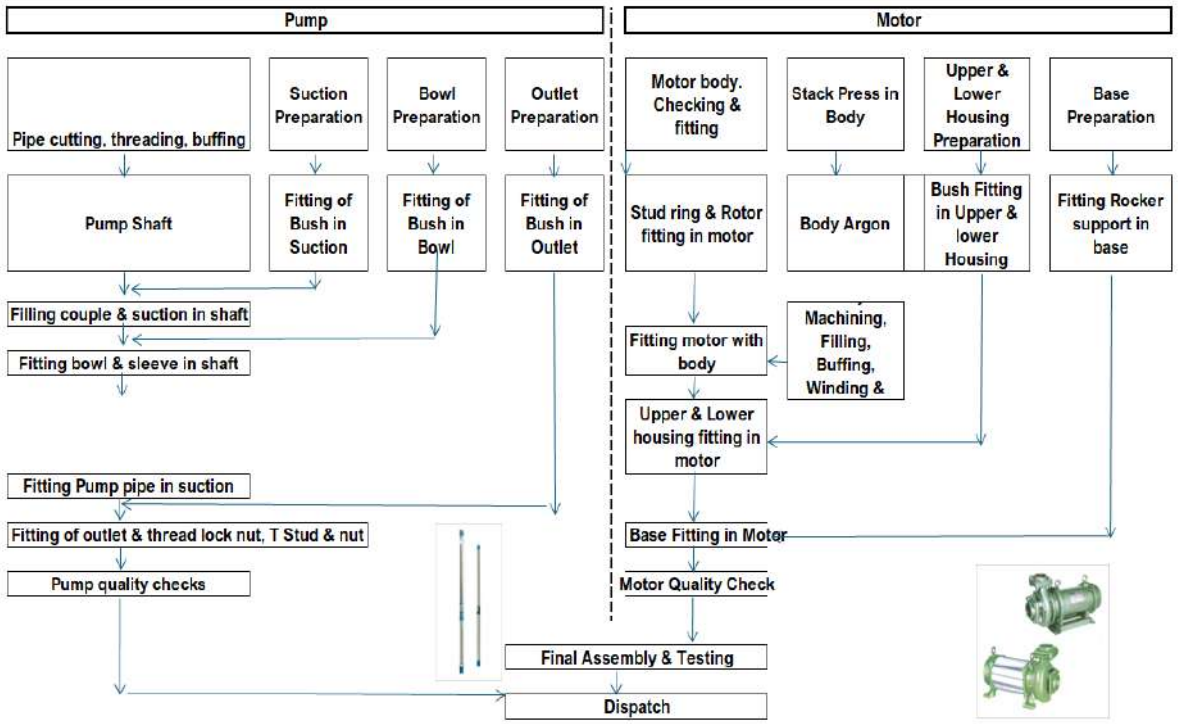
TECHNO INDUSTRIES LTD - FLOW CHART OF ELEVATORS

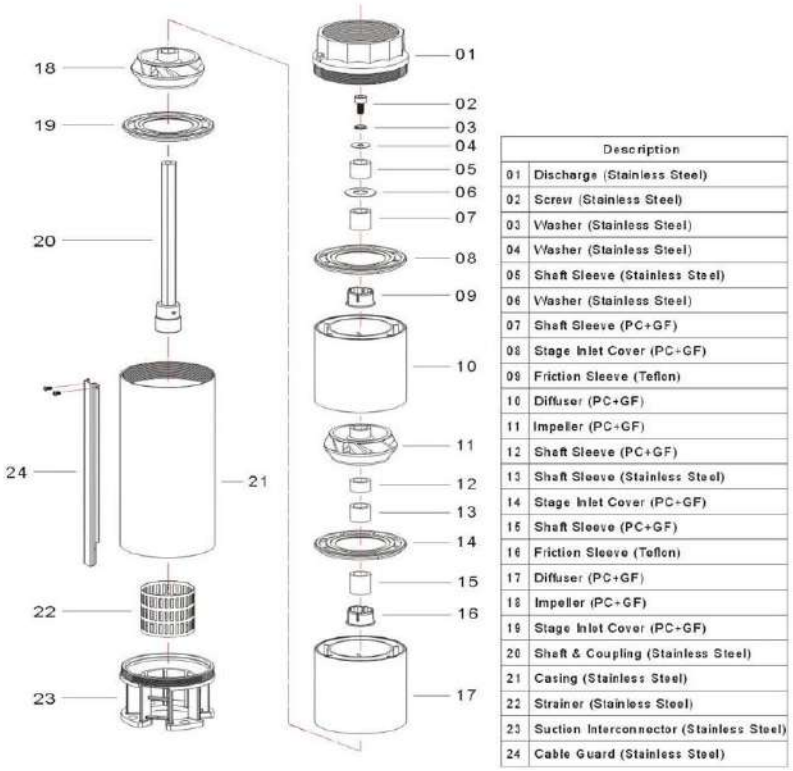


Elevator Diagram: A Typical Overhead Traction Elevator



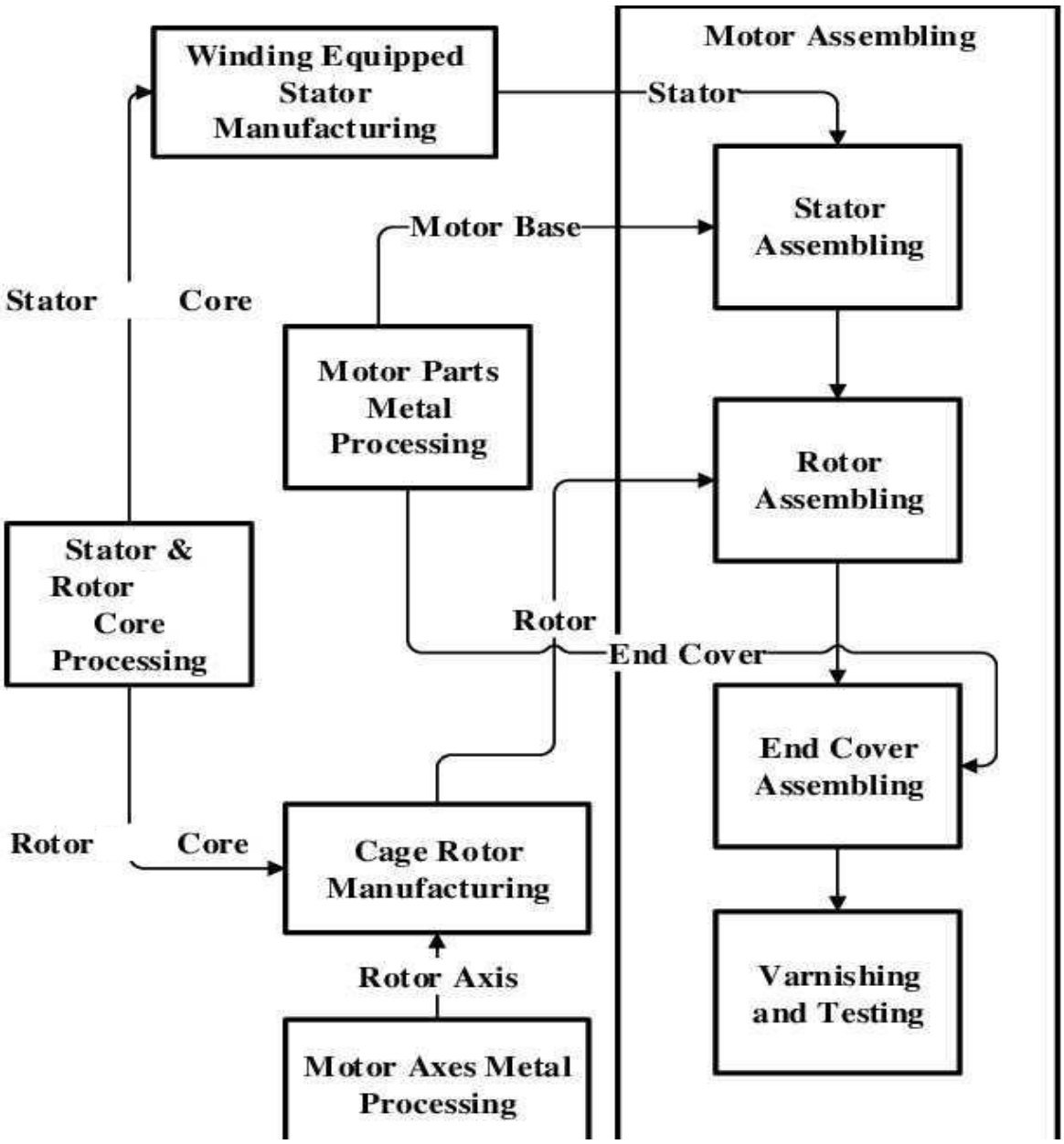
Manufacturing process of a typical stage submersible pump [V-3, 1 Hp]

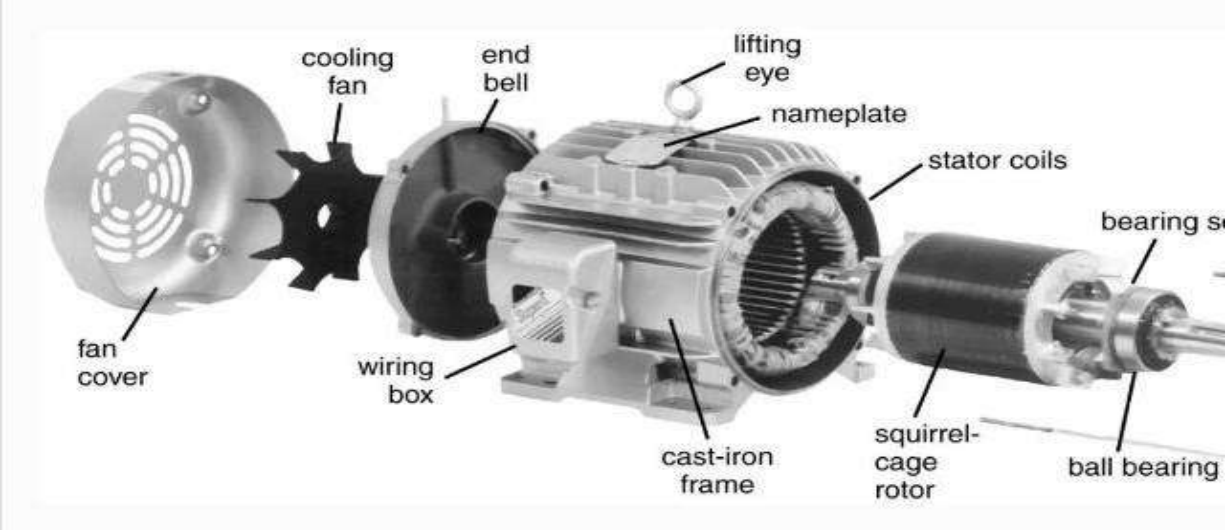




	Description
01	Discharge (Stainless Steel)
02	Screw (Stainless Steel)
03	Washer (Stainless Steel)
04	Washer (Stainless Steel)
05	Shaft Sleeve (Stainless Steel)
06	Washer (Stainless Steel)
07	Shaft Sleeve (PC+GF)
08	Stage Inlet Cover (PC+GF)
09	Friction Sleeve (Teflon)
10	Diffuser (PC+GF)
11	Impeller (PC+GF)
12	Shaft Sleeve (PC+GF)
13	Shaft Sleeve (Stainless Steel)
14	Stage Inlet Cover (PC+GF)
15	Shaft Sleeve (PC+GF)
16	Friction Sleeve (Teflon)
17	Diffuser (PC+GF)
18	Impeller (PC+GF)
19	Stage Inlet Cover (PC+GF)
20	Shaft & Coupling (Stainless Steel)
21	Casing (Stainless Steel)
22	Strainer (Stainless Steel)
23	Suction Interconnector (Stainless Steel)
24	Cable Guard (Stainless Steel)

Manufacturing Process for Motors:





Techno's business operations focus on understanding customer requirements and delivering cost-effective solutions for vertical transportation. This includes optimizing design, procurement, supply, installation, testing, and commissioning of elevators. The company emphasizes cost-efficient sourcing of raw materials and finished goods, standardizes manufacturing processes, oversees assembly, and conducts thorough quality inspections. Throughout all stages, Techno adheres to ISO standards, ensuring consistent quality and efficiency.

(a) **Market Segmentation**

Our customers include builders and developers in the residential and commercial sectors, EPC contractors, government and semi-government entities, as well as various industries. These clients provide specific requirements for passenger lifts, goods lifts, residential lifts, and commercial lifts, based on their ongoing project needs.

Clients provide basic information and specific elevator requirements for their projects, and we offer the best possible solutions to meet their needs. The execution process includes order booking, design, engineering, production, client inspections (*if applicable*), dispatch, and the installation/commissioning of elevators. The entire process is carried out in close coordination with the customer to ensure seamless execution.

(b) **Sales Process**

Sales department includes employees at all levels.

- Enquiries generated through scouting, media, consultants, architects, and tender information agencies.
- Techno seeks vendor approval with government bodies and MNCs, ensuring regular enquiries.
- Offers best technical and commercial solutions based on client requirements.
- Negotiation and order finalization.
- Edge over competitors through immediate response, fast delivery, and product quality.
- Execution process includes design, engineering, procurement, manufacturing, quality inspection, dispatch, erection, and commissioning in sync with client needs and financial terms.

(c) **Execution Process**

Upon receiving the order or contract along with the agreed payment terms, the order is booked, and a specific job number is assigned to each elevator. Drawings and related documents are then submitted to

the client for approval. Once the client provides approval, the planning department schedules manufacturing as per the purchase order. The manufacturing department initiates production upon receiving confirmation from the client. Finally, the materials are delivered to the client's site according to their specified requirements.

(d) **Design/Planning**

Our design department is continuously striving to improve product quality through innovations such as PMS motors and optimized designs to enhance cost-effectiveness and reduce manufacturing time. For each order, the design team prepares technical documents like General Arrangement Drawings (GAD), data sheets, and various calculations for selecting equipment such as motors, gears, and wire ropes. The department works closely with the client's technical authorities to secure the necessary approvals before proceeding with production. Once the documents are approved, the design and planning departments notify the production team to commence manufacturing.

(e) **Manufacturing**

Upon receiving a trigger from the Sales or Design department, an action plan is initiated to ensure timely delivery. Based on the Bill of Materials, the process is divided into three key sections:

1. A list of bought-out items is sent to the purchase department for procurement.
2. A list of store items is provided to the relevant department.
3. For in-house manufacturing, production is started, and job allocations are assigned to the concerned department with a specified timeframe.

At each stage, quality checks are conducted on incoming raw materials, the manufacturing process, and finished products. Once all materials are ready, they are moved to the dispatch area, properly packed, and shipped to the customer’s site.

(f) **Procurement**

Our purchase department ensures cost-effective, high-quality procurement through a standardized process. This includes:

1. Supplier approval after thorough evaluation of quality, capacity, and delivery timelines.
2. Maintaining minimum and maximum levels for all store items.
3. Purchasing materials based on job-specific requirements.

The purchase department works closely with the production and planning teams to ensure timely material delivery. For outsourced products, the Quality and Assurance department (“QA department”) conducts regular inspections, including on-site inspections at the supplier’s premises, if necessary, before dispatching the materials.

(g) **Quality Control**

The QA department ensures the quality of all products in accordance with the Bill of Materials (BOM). This involves evaluating suppliers for outsourced products, closely monitoring incoming materials, and conducting regular audits of approved suppliers. The department also inspects in-house products at every stage of production and supervises final assembly inspections, particularly during client visits to the factory. Additionally, the QA team regularly reviews the production process, suggesting improvements for optimal efficiency of plant and machinery. Throughout the company, the department enforces and upholds Quality Management Systems (QMS).

(h) **Dispatch and Logistic**

The department manages effective logistics solutions by:

- Establishing a list of approved transport providers
- Implementing cost-effective packing solutions.

- Ensuring timely material delivery by minimizing transportation time.

Upon receiving dispatch instructions and Material Dispatch Clearance Certificate (MDCC), the department initiates action, packing the materials appropriately. They select the suitable transport based on the dispatch location and arrange the dispatch, ensuring safe delivery to the site. The department also oversees the safe unloading and storage of materials at the site and works closely with the billing section to prepare all necessary dispatch documents.

(i) **Erection and Commissioning**

Once The team begins work upon receiving notification from the client regarding the site's readiness for erection. Key steps include:

- Verifying with the relevant departments that all contractual obligations are fulfilled.
- Starting the erection process in coordination with the client's team.
- Ensuring safe and quality erection by adhering to safety norms.
- Conducting quality inspections at every defined stage.
- Performing a final check after commissioning, prior to handing over the elevator to the client, as per established processes and relevant IS standards.

The entire process is conducted in compliance with applicable ISO standards.

Plant and Machinery / Equipment for Lloyds

Our Company deploy several engineering related machineries / equipment to execute contracts. Some major categories of machineries / equipment deployed by us, *inter alia,* include electric overhead travelling cranes, rotators, welding machines, bending machines, cutting machines, rolling machines, drilling machines, press machines, lathe machines, mobile cranes, burner, furnace, etc.

Plant and Machinery / Equipment for Techno

We utilize a wide range of machinery for achieving quality products at optimum cost. This machinery included batch of CNC machines, Laser cutting machine, Fibber cutting machine, Bending Machine, EOT cranes, welding machines, Painting Booth, Punching Machine of reputed make.

Key Strengths (For Lloyds)

(a) **Diverse Product Offerings and Sector Penetration**

Our strength lies in the diversity of our product offerings. We have expanded our portfolio through technology transfer agreement with The Material Works, Ltd. (based in United States of America) for Eco Pickled Surface technology. This partnership marks a significant milestone for LEWL, aligning with its growth strategy and commitment to providing innovative solutions to the Indian market.

Furthermore, our acquisition of Techno is aimed at expanding our product portfolio in order to serve a broader range of industries and sectors. This diversification has allowed us to reduce our reliance on any single market, mitigate portfolio risks and ensure stable growth even during industry specific fluctuations. By targeting multiple underlying sectors, we have built a business model that can adapt to changing market conditions.

(b) **Plant Location: Enhancing Efficiency**

One of the key strengths is the location of our workshops, which are conveniently situated adjacent to each other. This has several logistical advantages, paving the way for enhanced efficiency and agility in our operations, thereby resulting in cost optimization and resource utilization. This allows us to remain competitive and offer our products at competitive prices.

Our centralized raw material procurement system is made possible by close proximity of the workshops. When sourcing materials for a single location, we streamline the procurement process and can negotiate better prices with suppliers. This consolidated approach to procurement contributes to efficient operating cost structures and improved financial performance.

The shared infrastructure among the workshops assists in enhanced execution of our projects. The seamless flow of resources and information between different departments enables us to respond swiftly to project requirements and adapt to changing circumstances. This permits us to tackle complex engineering projects with ease and deliver quality solutions within tight deadlines.

Our acquisition of Engineering Assets of Bhilai Engineering Corporation Limited is aimed at increasing our manufacturing capabilities and efficiency in order to serve expanded geographical area.

(c) **Adaptable and Agile Business Model**

We have a flexible and agile business strategy that enables us to respond quickly to market shifts, industry trends, and customer needs. This adaptability, including the acquisition of Techno, ensures that we remain competitive and seize new opportunities, positioning us for continued growth and success.

(d) **Experienced management team**

One of our Promoters, Mukesh R. Gupta has around four decades of experience in various industries such as steel, engineering, power, construction and trading. Our senior management team comprises experienced and qualified professionals, who have industry knowledge and experience. Our risk management framework enables us to identify, address and mitigate the existing and emerging risks that may be posed to our business.

Key Strengths (For Techno)

(a) Expansive Product Portfolio and Market Reach

Techno has over three decades of market presence, specializing in the manufacturing of elevators, escalators, and electric motors. Techno's diverse product portfolio includes a wide range of elevators, such as passenger elevators, goods elevators, and hospital elevators, with capacities ranging from 4-passenger (272 kg) models to heavy-duty goods elevators with a capacity of up to 15,000 kg. Additionally, we produce motors with capacities up to 2 MW.

Techno's market reach spans multiple sectors, including residential and commercial buildings, as well as industrial sectors such as power plants, cement, chemical, and fertilizer industries. We are particularly recognized for our expertise in delivering elevator solutions to power plants, where we hold a leading position. In the residential and commercial building sector, we serve major industry players, including builders and developers.

Despite shifts in market methodologies and the global landscape, our organization remains committed to customer satisfaction, delivering high-quality products, innovative value engineering, and reliable solutions. We are also recognized for offering the fastest material delivery times in the elevator industry, further strengthening our competitive advantage.

(b) Plant location: Boosting efficiency and agility

Techno's plant is situated in GIDC Vatva, an industrial estate in Ahmedabad. With Ahmedabad serving as a major hub for elevator raw materials, sourcing from this location is both efficient and cost-effective. Our centralized procurement system at the plant ensures a seamless supply chain and improved inventory management.

(c) Customer Centric Approach

Techno prioritizes quick responses to clients and offer a wide range of products to meet their diverse needs. For any non-standard or specific requirements, we provide cost-effective solutions tailored to the client's preferences. Our fast delivery sets us apart in the elevator industry, ensuring timely service. Above all, customer satisfaction remains our top priority**.**

(d) Flexible business model

Techno's business strategy is designed with flexibility at its core, allowing us to swiftly adapt to market changes, emerging industry trends, and evolving customer demands. This agility ensures we stay competitive and capitalize on new opportunities, driving sustained growth and long-term success.

(e) Strong leadership and experienced management team

Techno's leadership is spearheaded by Director, Bharat Patel, a Mechanical Engineering graduate with 45 years of experience and technical expertise and business insight. The senior management team, composed of specialists in key areas such as sales, finance, production, and procurement, works cohesively to drive the organization forward. Together, this experienced team enables Techno to tackle any challenging task efficiently, ensuring continued growth and success.

Business Strategy for Lloyds

(a) **Niche Focus on Mid-Segment Market for Optimal Design and Manufacturing Solutions**

We have consciously adopted a business strategy to avoid direct competition with larger entities and focus on serving the mid-segment market, which allows us to deliver the design and manufacturing equipment solutions tailored to the specific needs of our target segment. Our acquisition of Techno is in furtherance of this strategy, and we continue to be on the lookout for similar opportunities that will enable us to offer diversified products.

This focus on the mid-segment market positions us as the go-to partner for mid-sized companies seeking process plant solutions and products in the electrical engineering segment.

(b) **Continue to provide Customized Offerings**

Our commitment to understanding and catering to the needs of our clients allows us to offer customized solutions that meet their requirements. By tailoring our offerings, we intend to position ourselves as the preferred choice for their heavy engineering needs. Our technology transfer agreement with The Material Works, Ltd, USA as well as acquisition of Techno is in furtherance of this strategy, and we continue to be on look-out for similar opportunities that will enable us to offer customized products.

(c) **Capitalizing on the capital expenditure Cycle Growth to Expand Order Book**

Our strategy is aligned with the growth in the capital expenditure cycle across various industries. Leveraging this, our aim is to accelerate the expansion of our order book.

(d) **Leveraging Opportunities in Naval Defence Segment**

With the opening of the naval defense segment for private participation, we intend to leverage our capabilities with focus on this segment. We are in discussions in this segment to expand our product offerings.

(e) **Expanding our Capacity through Capital Expenditure**

We intend to continue investing in assets to expand our capacity to meet the increasing order book. We

have taken on lease a new block A8/4, in close vicinity to our existing workshops. Furthermore, we have entered into an MoU to acquire the assets of the Engineering Division of Bhilai Engineering Corporation Limited as part of our ongoing capacity expansion through capital expenditure. This investment in machinery will strengthen our delivery capabilities and enable us to meet the demands of our growing order book.

(f) **Explore new opportunities to grow our business**

We continue to explore and evaluate new opportunities to expand our portfolio, increase the total addressable market and accelerate new launches. Our technology transfer agreement with The Material Works, Ltd, USA, acquisition of Techno as well as acquisition of the Engineering assets of Bhilai Engineering Corporation Limited, is in furtherance of this strategy, and we continue to be on look-out for similar opportunities.

Business Strategy for Techno

(a) Niche Focus on Mid-Segment Market for Optimal Design and Manufacturing Solutions

Techno is concentrating on expanding its presence of elevators and escalators which are used for residential and commercial purposes. This focus allows us to secure bulk orders, enabling streamlined execution with manageable overhead costs. Additionally, we prioritize the elevator business in power plants, a sector that offers high-value projects and significant growth potential. This focus also positions us to expand our market reach across India.

(b) Expanding Capacity through Strategic Capital Investment

Techno is focusing on the growth of our motor business by expanding our manufacturing capacity to produce motors up to 500 kW, which will open new avenues for business growth. Our plans include the installation of an advanced assembly line capable of producing 400 motors per day with minimal manpower. To support this expansion, we are investing in the necessary machinery to meet the increased production demands efficiently.

(c) **Leveraging Opportunities in Motor Segment**

Techno has developed a range of motors with varying HP/KW capacities based on the Kirloskar design, offering a unique and competitive solution in the market, comparable to large motor suppliers. Our motors are not only technically advanced but also competitively priced. Recently, we received approval from power plant manufacturers and power producing companies for the supply of high-capacity motors, which paves the way for us to engage with major corporations.

Properties

Leasehold Property (For Lloyds)

No.	Details of the Deed/ Agreement	Particulars of the property, description and area	Consideration /Rent	Tenure/ Term	Usage
1.	Lease Agreement dated December 05, 2011	Plot No. A- 5/4, Murbad Industrial Area, Murbad, Thane 421401 Area: 8,085 Sq. mtr	Re. 1 p.a.	For 95 years (From November 01, 1982)	Workshop/ Factory used for manufacturing / fabrication of Industrial Product
2.	Lease Agreement dated March 10, 1992	Plot No. A- 5/5, Murbad Industrial	Re. 1 p.a.	For 95 years (From March	Registered office and Workshop

No.	Details of the Deed/ Agreement	Particulars of the property, description and area	Consideration /Rent	Tenure/ Term	Usage
		Area, Murbad, Thane 421401 Area: 11,531 Sq. mtr		01, 1983)	used for manufacturing / fabrication of Industrial Product
3.	Lease Agreement dated May 21, 1992	Plot No. A- 6/3, Murbad Industrial Area, Murbad, Thane 421401 Area: 4,800 Sq. mtr	Re. 1 p.a.	For 95 years (From April 20, 1982)	Workshop used for manufacturing / fabrication of Industrial Product
4.	Lease Agreement dated September 06, 2022	Plot No. K-3, Additional MIDC Murbad, Kudavali Village, Thane 421401 Area: 10,583 Sq. mtr	Re. 1 p.a.	95 years (From February 01, 1996)	Workshop used for manufacturing / fabrication of Industrial Product
5.	Lease Agreement with Sanghvi Metal Corporation dated July 29, 2024	Plot No. 8/4, Murbad Industrial Area, Murbad, Thane 421401 Area: 4,112 Sq. mtr	₹ 3,40,750	June 01, 2024 to May 31, 2027	Workshop used for manufacturing / fabrication of Industrial Product
6.	Leave and License Agreement with Gitadevi Devkrishan Atal dated July 21, 2023	Unit No. 7A, 4th Floor, Madhu Corporate Park Ltd (Formerly known as Madhu Industrial Estate Ltd., Lower Parel, Mumbai 400013	₹ 23,100 p.m plus GST	60 months (From April 16, 2023, to April 15, 2028)	Corporate Office
7.	Leave and License Agreement with Devkant and Narenda Somani dated June 30, 2023	Unit No. 1A, 4th Floor, Madhu Corporate Park Ltd (Formerly known as Madhu Industrial Estate Ltd., Lower Parel, Mumbai 400013	₹ 36,300 p.m plus GST	60 months (From April 16, 2023, April 15, 2028)	Corporate Office
8.	Leave and License Agreement with Indumati and Mahabir Prasad Agiwal dated June 23, 2023	Unit No. 10, 4th Floor, Madhu Corporate Park Ltd (Formerly known as Madhu Industrial Estate Ltd., Lower Parel, Mumbai 400013	₹ 95,700 p.m plus GST	60 months (From April 16, 2023, April 15, 2028)	Corporate Office
9.	Leave and License Agreement with Indumati Agiwal dated June 23, 2023	Unit No. 15, 4th Floor, Madhu Corporate Park Ltd (Formerly known as	₹ 90,750 p.m plus GST	60 months (From April 16, 2023, April 15, 2028)	Corporate Office

No.	Details of the Deed/ Agreement	Particulars of the property, description and area	Consideration /Rent	Tenure/ Term	Usage
		Madhu Industrial Estate Ltd., Lower Parel, Mumbai 400013			
10.	Leave and License Agreement with Krishna Kumar Somani dated June 30, 2023	Unit No. 5A and 5B, 4th Floor, Madhu Corporate Park Ltd (Formerly known as Madhu Industrial Estate Ltd., Lower Parel, Mumbai 400013	₹ 55, 660 p.m plus GST	60 months (From April 16, 2023, April 15, 2028)	Corporate Office
11.	Leave and License Agreement with Sanjay Kothari dated July 18, 2023	Unit No. 1, 4th Floor, Madhu Industrial Estate, Lower Parel, Mumbai 400013	₹54,450 p.m. plus GST	60 months (From April 16, 2023, April 15, 2028)	Corporate Office
12.	Leave and License Agreement with Smt. Rajkamal devi Bangur dated July 07, 2021	Unit No. A- 2/7, 2nd Floor, Madhu Industrial Estate, Lower Parel, Mumbai 400013	₹1,65,000 p.m. plus GST	60 months (From July 05, 2020, till July 04, 2025)	Corporate Office
13.	Leave and License Agreement with Shree Satyanarayan Temple Trust dated February 02, 2022	Unit No.4 - 4A, 2nd Floor, Madhu Industrial Estate, Lower Parel, Mumbai 400013	₹ 3,67,730 plus GST	60 months (From January 15, 2022 till January 14, 2027)	Corporate Office
14.	Leave and License Agreement with Shree Somani Trust Society dated March 01, 2021	Unit No. A-2/9B-C, 2nd Floor, Madhu Industrial Estate, Lower Parel, Mumbai 400013	₹3,85,660 p.m. plus GST	From July 05, 2020, to July 04, 2025	Corporate Office
15.	Leave and License Agreement with Usha Somani dated February 07, 2021	Unit No. A-2/8, 2nd Floor, Madhu Industrial Estate, Lower Parel, Mumbai 400013	₹13,200 p.m. plus GST	From July 05, 2020, to July 04, 2025	Corporate Office
16.	Renewal Service Agreement with Regus Chennai Office Centre Private Limited	3rd Floor, Shyamala Tower No. 136, Arcot Road, Saligram, Chennai, Tamil Nadu	₹ 28,390 p.m.	From January 1, 2025 to January 31, 2026	Branch Office
17.	Lease Deed with Mrs. Uma Gupta	Office space situated at No. 508, Goverdhan Building 54-55, Nehru Place, New Delhi 110 019	₹ 33,000 p.m.	From May 01, 2022 to April 30, 2028	Branch Office
18.	Co-working space – Service Agreement with Sriyash Infrastructure LLP	Office No. 10, 5th Floor, Convergance Contact Centre, Salt Lake City, Kolkata, West Bengal 700091	₹ 33,075 p.m.	From September 20, 2024 to August 20, 2025	Branch Office

No.	Details of the Deed/ Agreement	Particulars of the property, description and area	Consideration /Rent	Tenure/ Term	Usage
19.	Leave and License Agreement with Sadi Kishore dated February 21, 2025	Flat No 101, Satyamamba Residency, Main Road, Karasa, NAD-Post, Visakhapatnam-530009. Area-700 Sq. Ft.	₹ 17,000/- p.m.	From March 01, 2025 to February 28, 2027	Branch Office
20.	Tenancy Agreement with Jagdish Prasad dated February 26, 2025	1st Floor, Survey No. 159/4/2, Haddo Village, Sri Vijaya Puram Tehsil, South Andaman District, A & N Islands. Area: 418.75 Sq. Ft.	₹ 15,000/- p.m.	From February 02, 2025 to February 06, 2027	Branch Office

Freehold Property (For Lloyds)

No.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration	Area	Usage
1.	Sale Deed dated July 07, 2011, with Polygenta Technologies Limited	Roop Rekha Co-op. Hsg. Soc. Ltd., Building No. A-3, Hissa No. 3, 5, 6 and 8 and Sr. No. 23 Hissa No. 4, situated at Taluka Murbad measuring 565 sq.ft.	₹ 5,00,000	565 Sq. ft	For Residential purpose of employees

Leasehold Property (For Techno)

Sr. No.	Details of the Deed/ Agreement	Particulars of the property, description and area	Consideration/Rent	Tenure/ Term	Usage
1	Sale Deed dated June 27, 2017	Plot No 5002, Nr Indo German Tool Room, GIDC Phase IV, Vatva, Ahmedabad 382445, Gujarat	₹ 8,62,00,000 p.m	-	Factory
2.	Sub-lease Deed dated March 26, 2025*	Plot 505, Phase IV, GIDC, Vatva	₹ 9,30,000 p.m.	20 Years	Factory used for manufacturing
3.	Lease Agreement dated 27th June 2024.	Surat Branch - 204/Green Atria, B/h Green Elina, Opp. Sankul Wadi, Anand Mahal Road, Surat, Gujarat - 395009	₹ 15,500/- per month	01/07/2024 To 31/05/2025	Branch Office
4.	Leave and License Agreement dated 07th September, 2023	Delhi Branch - Shop No. 21, Karampura Shopping Centre, Karampura, New	₹ 80,850/- per month plus GST	01/09/2023 To 31/08/2028	Branch Office

Sr. No.	Details of the Deed/ Agreement	Particulars of the property, description and area	Consideration/Rent	Tenure/ Term	Usage
		Delhi - 110015			
5.	Lease Agreement dated 04th July, 2024	Nagpur Branch - 27-B, Ramnagar Telangkhadi, Nagpur, Maharashtra - 440010	₹ 5,000/- p.m.	04/07/2024 To 03/05/2025	Branch Office
6.	Leave and License Agreement dated 08th June, 2022	Kudgi Branch - Mastaniya Nagar-2, Behind SBI Bank, Opp. Gram Panchayat, Kudgi, Dist. Vijapur, Karnataka - 586121	₹ 5,000/- p.m.	01/06/2022 To 30/04/2027	Branch Office
7.	Leave and License Agreement dated 26th December, 2024	Madhu Estate, A-2, 1st Floor, Pandurang Budhkar Marg, Lower Parel, Mumbai 400013	₹ 90,000/- p.m.	01.01.2025 to 31.12.2030	Branch Office
8.	Leave and License Agreement dated 27th February, 2025	Balaji Krupa, Vrundavan Society, Panchyat Chowk, University Road, Rajkot	₹ 24,0000/- p.m.	01.03.2025 to 31.01.2026	Branch Office

[*] *This is with effect from October 15, 2024*

Freehold Property (For Techno)

Sr. No.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration	Area	Usage
1.	Conveyance Deed dated October 15, 2013, with Bara Machines Private Limited	3rd Floor, Techno House/ Netvision House, B/H Claris Tower, Opp.: Sangita Complex, Near Parimal Crossing, Ambawadi, Ahmedabad 380006, Gujarat	₹ 6,11,00,000/-	25,500 Sq. Ft.	For Sales and Marketing Operation.
2	Sale Deed dated August 26, 2020	Office No. F-112, Swaminarayan Business Park, Near Narol Circle, Narol, Ahmedabad - 382405	₹ 10,00,000/-	230 Sq. Ft.	Godown/Administration Office

There is no conflict of interest between the Lessor of the immovable properties and the Company, its promoters, promoter group, key managerial personnels and its directors.

Human Resources (For Lloyds)

As of February 28, 2025, we had 323 full-time employees (including on probation, on sabbatical leave and trainees). Further we also engage workers on contractual basis from time to time, however we have not entered into any formal agreements with the suppliers of the workers. Our personnel policies are aimed at recruiting

talented individuals and promoting the development of their skills, including through in-house as well as external training programs.

We set out below our employee split by function as of February 28, 2025:

Function	Number of Employees
Engineering	180
Environment Health and Safety	3
Design	30
Information Technology	6
Purchase	11
Stores	8
Accounts and Finance	17
Management	2
Company Secretary and Legal	3
Marketing and Estimation	12
Social Media	1
Human Resource and Administration	12
Workers	38
Total	**323**

Human Resources (For Techno)

As of February 28, 2025, we have 681 full-time employees (including on probation). Our personnel policies are aimed at recruiting talented individuals and promoting the development of their skills, including through in-house as well as external training programmes.

The following table sets forth our employee split by function as of February 28, 2025:

Functions	No of Employees
Management	6
Company Secretary & Legal	1
Design	7
Engineering	91
Erection & Maintenance	184
Finance & Account	7
Human Resource & Administration	10
Information Technology	2
Marketing & Estimation	44
Purchase	5
Quality Control	8
Stores & Dispatch	13
Call Center	6
Worker	297
Grand Total	**681**

Competition

We operate in a competitive atmosphere. Most contracts require a competitive bidding process and pre-qualification of contractors to ensure the technical ability to implement such projects. Competitors having superior financial, technology, execution and marketing resources are our competitors. Among companies that qualify for

a given project, competition is primarily based on price and execution capabilities. However, we expect that our commitment to quality, past record of timely execution and transparency will provide us an edge over our competitors.

For further details of Key financial parameters of some of the listed entities operating in the engineering segment forming part of our peer group, please see "***Industry Report***" and "***Risk Factors***" on page 106 and 25 for LEWL and for Techno.

Intellectual Property Rights

Trademarks

Our Company has a registered Trademark, and the details are as under:

Trademark	Logo	Class	Proprietor Name	Application Number	Status
Lloyds Engineering Works		35	Lloyds Engineering Works Limited	6209243	Registered

Techno have applied for registration of Trademark and the details are as under:

Trademark	Logo	Class	Proprietor Name	Application Number	Application Date	Status
TECHNO		7	Techno Industries Private Limited	4663133	September 18, 2020	Objected*

** Our material subsidiary, Techno, submitted an affidavit on April 16, 2024, in response to objections raised by M/s. Texmo Industries. Additionally, under the same application, objections have also been filed by M/s. Aquapump Industries and M/s. Aquasub Engineering.*

Sales & Marketing (For Lloyds)

Our Company operates in the business-to-business segment especially catering to the core sectors of Hydrocarbons, Steel, Minerals, Power, Fertilizers, Nuclear, Chemicals, etc. providing capital plant equipment & packages for these companies directly or through EPC companies and engineering consultants.

As a heavy engineering company, we have the required design & manufacturing capabilities and have certifications and approvals of ISO 9001, American Society of Mechanical Engineering (ASME) (for Plot No. A5/4, A5/5 & A6/3, Murbad Industrial Area, Murbad only), Petroleum and Explosives Safety Organization (PESO) (for Plot No. A6/3, A5/4 & A5/5, Murbad Industrial Area, Murbad only) and Indian Boiler Regulation (IBR) (for Plot No. A5/5 & K3, Murbad Industrial Area, Murbad only) and are also enlisted with renowned consultants & EPC companies and end owners in these sectors.

On the above basis, our sales & marketing team regularly network with customers to address their enquiries, when they may have new projects or considering an expansion of their business. On receipt of enquiries from the customers, we offer our products and solutions on competitive prices and aim to secure orders from them.

Our Company continuously adopts a marketing strategy that meets the ever changing customer needs and industry dynamics and which also simultaneously enhances our Company's brand value.

Sales & Marketing (For Techno)

Our company operates primarily across five segments for Elevators: 1) Residential and commercial buildings, 2) Industries, 3) Government, semi-government, and public sectors, 4) Large projects through EPC contractors, and

5) Kit business. We have the necessary manpower allocated to each segment and employ company-approved contractors for the execution, erection, and commissioning of elevators at various sites.

Our main focus is on the mid-rise and low-rise segments, which constitute a significant portion of the residential and commercial market. In the industrial segment, we primarily target power plants to secure bulk orders and high-value projects. Our Company operates in the business-to-business segment especially catering to the core sectors of Power, Cement, Commercial, Residential and government project etc.

As a medium-sized engineering company, we possess the required design and manufacturing capabilities, backed by certifications and approvals for ISO 9001, ISO 27001, ISO 45001, and ISO 14001.

Based on this foundation, our sales and marketing team actively engages with customers to address inquiries, collaborate with builders and architects on advance planning, and provide budgetary offers to EPC contractors, facilitating their tender submissions for turnkey projects. Upon receiving inquiries, we present our products and solutions for vertical transportation, focusing on delivering value for money, both technically and financially.

With our strengths, we can adapt to changing methodologies in the market and global landscape. Our organization is committed to customer satisfaction, providing quality products, value engineering, and reliability, ensuring that customers receive value for their investment.

Infrastructure

Registered Office

Our offices and manufacturing facilities are well equipped with computer systems, laptops, internet connectivity, communication equipment, security and other facilities such as fire safety and anti-theft alarm which are necessary for our business operations.

Power

The registered office, workshops and corporate office of our Company meets their respective power requirements from the Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) and Brihan Mumbai Electric Supply and Transport Undertakings (B.E.S.T).

Techno meets its workshops and its registered office power requirements from Torrent Power Limited.

Details of Power at our factory premises

Plot No	Sanctioned Load (KW)	Connected Load (KW)
Lloyds		
A-5/5, MIDC, Murbad	1106	1106
A-6/3, MIDC, Murbad	498	498
A-5/4, MIDC, Murbad	421	421
K-3, MIDC, Murbad	300	300
A-8/4, MIDC, Murbad	198	198
Techno		
5002, Phase IV, GIDC Vatva	325	325
505, Phase IV, GIDC Vatva	500	500

Water facilities

Our registered office, workshops and our corporate office have adequate water supply arrangements for human consumption purposes. For our registered office and workshops, we source the water from MIDC and for our corporate office from the Brihan Mumbai Municipal Corporation.

Techno sources water for its manufacturing facility from Vatva Industrial Estate Infrastructure Development Limited, an SPV of Vatva Industries Association, Ahmedabad.

Plotwise Water Connection

Plot No	Meter Size	Consumer Type
Lloyds		
A-5/5, MIDC, Murbad	25	A5
A-6/3, MIDC, Murbad	15	A5
A-5/4, MIDC, Murbad	15	A5
K-3, MIDC, Murbad	15	A5
A-8/4, MIDC, Murbad	15	A5
Techno		
5002, Phase IV, GIDC Vatva	25 mm	Industrial
505, Phase IV, GIDC Vatva	25 mm	Industrial

Quality Control

As a heavy engineering company with ISO 9001:2015 Quality Management Systems Accreditation, Quality Control Systems as per American Society of Mechanical Engineering (ASME) Code Stamps for U, U2 & S Stamps, statutory bodies' approvals, such as Indian Boiler Regulation (IBR) and Petroleum and Explosives Safety Organization (PESO) and with our enlistment with renowned engineering consultants and inspection agencies, we have quality systems and controls in place. We have a dedicated design & quality team of qualified & experienced engineers to address the requirements for design, manufacture, inspection and testing of the products we manufacture.

Our Company is committed towards maintaining "Continued Customer Relationship" and "Meeting Customer Expectation" at an acceptable cost as a main objective for Growth with Commitment and Integrity and Transparency. We endeavour for continuous improvement by following P.D.C.A. Cyle (Plan, Do, Check, Act) and complying with various Quality Management Principles.

Our Management is committed to upgrade the process capability by adopting relevant technology by exposure to new fields of work and regular training of our Company personnel and mitigate risk related to design, production and quality management in line with ISO 9001: 2015.

Quality Control (For Techno)

Techno and its employees are committed to the establishment and maintenance of Quality management system, environmental management system and occupational health and safety management system given in the manual and implemented by the company to meet the requirements of ISO 9001:2015, ISO 14001:2015 and ISO 45001: 2018.

The members of the Organization shall strictly adhere to the various EQHS procedures and Standard Operation Procedure (SOPs) as supported by the policies outlined in the manual guidelines of ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 system has been implemented for *"Design, Manufacture, Supply, Erection, Commissioning and After Sales Services of Elevators"* and *"Manufacture, Supply of Electric and Induction Motors, Submersible Pumps & Solar Pumps".*

Insurance (For Lloyds)

No.	Type of Insurance	Sum Assured (₹ In Lakhs)	Premium	Policy Tenure and Expiry Date	Name of the Insurer
1.	Directors and Officers Liability Insurance	500.00	₹ 25,960.00	From March 24, 2025 To	ICICI Lombard

No.	Type of Insurance	Sum Assured (₹ In Lakhs)	Premium	Policy Tenure and Expiry Date	Name of the Insurer
				March 23, 2026	
2	Marine Policy – Open Inland Declaration Policy ODC (Over Dimensional Cargo) Insurance Policy;	5,000.00	₹ 59,001.00	From April 01, 2025 To March 31, 2026	ICICI Lombard Policy is for Transit Insurance of even ODC assignment/ cargo.
3	Marine Policy –Open Inland Declaration Policy Non ODC (Over Dimensional Cargo) Insurance Policy	5,000.00	₹ 1,18,001.00	From April 01, 2025, To March 31, 2026	ICICI Lombard Policy is for Transit Insurance of even Non ODC assignment/ cargo.
4	Standard fire and special perils and Burglary Policy (For Murbad Plots A-6/3)	849.19	₹ 15,895.00	From July 02, 2024 To July 01, 2025	ICICI Lombard for fire and Burglary
5	Standard fire and special perils and Burglary Policy (For 2 Murbad Plots A-5/5, and A-5/4)	5383.23	₹ 2,99,734.00	From July 02, 2024 To July 01, 2025	ICICI Lombard for Fire and Burglary
6	office package under ladhu Suraksha (Fire and Burglary Policy); (For Corporate office)	636.83	₹ 7,295.00	From July 02, 2024 To July 01, 2025	ICICI Lombard for Fire and Burglary
7	Standard fire and special perils and Burglary Policy (For Murbad Plot K-3,)	795.87	₹ 15,010.00	From July 02, 2024 To July 01, 2025	ICICI Lombard for Fire and Burglary
8	Standard fire and special perils and Burglary Policy (Stock on floater basis)	10,000.00	₹ 6,10,060.00	From July 02, 2024 To July 01, 2025	ICICI Lombard for Fire and Burglary

Insurance (For Techno)

No.	Type of Insurance	Sum Assured (₹ In Lakhs)	Premium	Policy Tenure and Expiry Date	Name of the Insurer
1.	Burglary (FFF, Stock & P&M) (For Plot No. 5002, Vatva)	4,900.00	₹ 1,192.98	From February 22, 2025, to February 21, 2026	ICICI Lombard
2	Burglary (For Techno House)	30.00	₹ 500.32	From February 22, 2025, to February 21, 2026	ICICI Lombard
3	Burglary (Stock Floater) (For Techno House and Plot No. 505, Vatva)	650.00	₹ 844.90	From February 22, 2025, to February 21, 2026	ICICI Lombard
4.	Fire (Building) (For Plot No. 5002)	1,000.00	₹ 1,27,440.00	From February 22, 2025, to February 21, 2026	ICICI Lombard
5	Fire (FFF, Stock & P&M) (For Plot 5002, Vatva)	4,900.00	₹ 6,24,456.00	From February 22, 2025, to February 21,	ICICI Lombard

No.	Type of Insurance	Sum Assured (₹ In Lakhs)	Premium	Policy Tenure and Expiry Date	Name of the Insurer
				2026	
6	Fire (For Techno House)	1,100.00	₹ 73,986.00	From February 22, 2025, to February 21, 2026	ICICI Lombard
7	Fire (Stock Floater) (For Techno House and Plot 505, Vatva)	650.00	₹ 1,34,992.00	From February 22, 2025, to February 21, 2026	ICICI Lombard
8	Marine Single Transit Import Policy	750.00	₹ 12,391.00	From October 07, 2024, to September 20, 2025	ICICI Lombard
9	Marine Cargo (Inland) Open Policy	3,000.00	₹ 44,251.00	From September 21, 2024, to September 20, 2025	TATA AIG
10	WC Policy Company (Main Factory all Location within India)	1,665.24	₹ 2,89,117.00	From August 02, 2024 to August 01, 2025	Royal Sundaram

Export Obligations

Neither our Company nor Techno has any export obligation.

Environment, Energy Conservation, Health and Safety for LEWL

As an ISO 9001 and ISO 45001 certified organization, we adhere to rigorous standards for quality management systems and occupational health & safety systems.

The safety and well-being of our workforce is of paramount importance. We provide comprehensive safety induction training to all new employees. This ensures that they are fully aware of potential hazards and risks associated with their roles and responsibilities.

To maintain a hazard free work environment, we continuously conduct risk assessments for every manufacturing and fabrication activity taking place in our workshop. These assessments allow us to identify potential risks and take proactive measures to mitigate them effectively.

We provide readily accessible first aid facilities and medical support to promptly address any injuries or health concerns that may arise during work hours.

We conduct regular safety committee meetings with the presence of the leaders of our workers. These meetings serve as a platform for open communication, encouraging our workforce to actively engage in safety-related discussions and contribute their insights.

Environmental Compliance:

- MPCB Consent
- Noise monitoring
- LUX Monitoring
- Stack Emission Monitoring (Nox, Sox)
- Sewage Treatment plant installed and used for water treatment and treated water used for spraying to control the dust in environment.

Environment, Energy Conservation, Health and Safety for Techno

As an ISO 9001 and ISO 45001 certified organization, we adhere to rigorous standards for Quality Management Systems and Occupational Health & Safety Systems. We are complied with GPCB Licence.

We are committed to:

- Comply with relevant laws and regulations with additional measures considered necessary
- Follow scientific approach to minimise waste generation and thereby achieving cleaner production
- No loss of man hours and assets by continual improvement in process design and employee training
- Promote awareness among all employees and all interested parties for shared responsibility towards environment protection and safe work practices
- Continual improvement in housekeeping.

Information Technology

Our company leverages the SAP ERP software to manage our business operations. The security of our systems and the data they store or transmit is paramount, and we rely on meticulously crafted security policies, procedures, and capabilities to ensure their protection. To date, SAP has maintained an impeccable record with no history of cybersecurity issues, underscoring its reliability and robustness.

However, in the ever-evolving landscape of cybersecurity threats, SAP remains proactive by providing regular security updates to fortify its system against potential vulnerabilities. We diligently implement these updates periodically to ensure our systems remain secure and resilient.

Our SAP servers are hosted at the C4C Data Centre, which exists in India, a facility that adheres to stringent global cybersecurity standards. The C4C Data Centre operates within a comprehensive cybersecurity framework, ensuring that our data is safeguarded by the highest levels of security protocols and practices. This combination of SAP's robust software and the C4C Data Centre's rigorous security measures provides a formidable defense against any potential threats, ensuring the integrity and confidentiality of our data.

For Techno

Techno's servers are protected against cyber-attacks through multiple layers of security. First, we have Eset Server Security installed on all servers, with the latest definition updates applied daily to ensure ongoing protection against malware. Additionally, we utilize a Fortigate firewall for external protection, which blocks any potential external attacks and restricts access to unwanted websites.

Furthermore, we maintain daily backups of Prizm and Tally, ensuring that all data is regularly saved. In the event of a cyber-attack, we can restore the previous day's backup with ease, minimizing data loss to a maximum of one day and allowing us to resume normal operations quickly.

Corporate Social Responsibility

We believe in the importance of corporate social responsibility ("**CSR**") and are committed to making a positive impact on the communities where we operate. We recognize that we have a responsibility to contribute to the social, economic, and environmental well-being of communities we operate with, and we strive to do so through various initiatives and programs. Our CSR activities include supporting local education, rural infrastructure development, healthcare, and environmental initiatives that help to promote sustainable economic growth. Our CSR policy is in compliance with the requirements of the Companies Act, 2013 and the rules framed thereunder. Our CSR activities are monitored by the CSR committee of our Board. During the nine-month period ended December 31, 2024 and Fiscal 2024, we incurred an expense of ₹ 110 lakhs and ₹ 36 lakhs respectively.

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OUR MANAGEMENT

The composition of the Board is governed by the provisions of the Companies Act, 2013, the rules prescribed thereunder, the SEBI Listing Regulations and the Articles of Association.

Our Articles of Association requires us to have not less than three and not more than fifteen Directors, but we can have more than fifteen Directors after passing the special resolution. As on date of filing of this Letter of Offer, we have nine (9) Directors on our Board, comprising of two (2) Executive Director, two (2) Non- Executive Non-Independent Directors and five (5) Non-Executive Independent Directors, including one (1) Non-Executive Independent Woman Director. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

Pursuant to the provisions of the Companies Act, 2013, at least two-third of the total number of Directors, excluding the Independent Directors, are liable to retire by rotation, with one-third of such number retiring at each AGM. A retiring director is eligible for re-appointment. Further, an Independent Director may be appointed for a maximum of two consecutive terms of up to five years each.

A. BOARD OF DIRECTORS

Set forth below are details regarding our Board as on the date of filing of this Letter of Offer:

No.	Name, address, DIN, date of birth, term, period of directorship, occupation	Designation	Other directorships
1.	**Mukesh Rajnarayan Gupta** ***Age:*** 66 ***Address:*** Vandan CHS Limited, 17th Floor, 29A, Dongersey Road, Near Elizabeth Hospital, Walkeshwar, Mumbai 400 006 ***DIN:*** 00028347 ***Date of Birth:*** June 13, 1958 ***Term:*** May 28, 2024, to September 30, 2028 ***Period of Directorship:*** Since May 31, 2021 ***Occupation:*** Service	Chairman & Wholetime Director	• Lloyds Metals and Energy Limited – Non-Executive Director • Lloyds Logistics Private Limited • Amvak Private Limited
2.	**Shree Krishna Mukesh Gupta** **Age**: 32 Years **Address**: Vandan CHS Ltd, 17th Floor, 29-A Dongersey Road, Near Elizabeth Hospital, Walkeshwar, Mumbai 400 006 **DIN**: 06726742	Wholetime Director	• Amvak Private Limited • Lloyds Infrastructure & Construction Limited • Trofi Chain Factory Private Limited • Lloyds Luxuries Limited • Lloyds Health & Beauty Private Limited

No.	Name, address, DIN, date of birth, term, period of directorship, occupation	Designation	Other directorships
	Date of Birth: August 21, 1992 **Term**: From March 6, 2024, to September 30, 2028 **Period of Directorship**: Since March 6, 2024 **Occupation**: Business		
3.	**Ashok Tandon** ***Age:*** 66 ***Address:*** Flat No.20, Usha Kamal CHSL, Plot 28/28A, Sector 15, Vashi, Navi Mumbai, 400 703 ***DIN:*** 00028301 ***Date of Birth:*** October 13, 1958 ***Term:*** From April 01, 2021 ***Period of Directorship:*** Since January 15, 2014 ***Occupation:*** Service	Non-Executive Non-Independent Director	• Midrex Technologies India Private Limited
4.	**Rajashekhar Mallikarjun Alegavi** ***Age:*** 74 ***Address:*** C-2/503, Shubharambh Complex, Chitalsar Manpada, Thane West, Thane 400 607 ***DIN:*** 03584302 ***Date of Birth:*** April 24, 1950 ***Term:*** From April 01, 2021 ***Period of Directorship:*** Since October 26, 2018 ***Occupation:*** Service	Non-Executive Non-Independent Director	• Vidarbha Power Private Limited • Cunni Realty and Developers Private Limited • Simon Developers and Infrastructure Private Limited • Lloyds Realty Development Limited • Reliable Trade and Realty Developers Private Limited
5.	**Bela Sundar Rajan** ***Age:*** 70	Non-Executive Independent Director	• Sampark Communication Private Limited

No.	Name, address, DIN, date of birth, term, period of directorship, occupation	Designation	Other directorships
	Address: 1202, Kritika Towers, 11th Sion Trombay Road, Near R K Studio, Chembur, Mumbai 400 071 ***DIN:*** 00548367 ***Date of Birth:*** June 04, 1954 ***Term:*** September 01, 2021 to August 31, 2026 ***Period of Directorship:*** Since January 28, 2016 ***Occupation:*** Retired		• School of Communications and Reputation Private Limited • Index Online Reputation Management Private Limited
6.	**Lakshman Ananthsubramanian** ***Age:*** 75 ***Address:*** C-1901, Mayuresh Residency, LBS Marg, Bhandup West, Mumbai 400 078 ***DIN:*** 08648489 ***Date of Birth:*** June 19, 1949 ***Term:*** From January 24, 2020, to January 23, 2025 ***Period of Directorship*** Since January 24, 2020 ***Occupation:*** Retired	Non-Executive Independent Director	• None
7.	**Kishor Kumar Mohanlal Pradhan** ***Age:*** 66 ***Address:*** F/63, Maker Kundan Garden, Juhu-Tara Road, Near SNDT University, Santacruz (W), Mumbai 400 049 ***DIN:*** 02749508 ***Date of Birth:*** August 13, 1958 ***Term:*** July 22, 2021 to July 21, 2026 ***Period of Directorship:*** Since September 11, 2020	Non- Executive Independent Director	• Techno Industries Private Limited

No.	Name, address, DIN, date of birth, term, period of directorship, occupation	Designation	Other directorships
	Occupation: Retired		
8.	**Ashok Kumar Sharma** ***Age:*** 64 ***Address:*** 6-B, Annapurna, Anushakti Nagar, Mumbai 400 094 ***DIN:*** 09352764 ***Date of Birth:*** January 10, 1961 ***Term:*** October 14, 2021 to October 13, 2026 ***Period of Directorship:*** Since October 14, 2021 ***Occupation:*** Service	Non- Executive Independent Director	• None
9.	**Devidas Kashinath Kambale** **Age:** 73 Years **Address:** T-6-2102, Ebony Runwal Green, Goregaon Mulund Link Road, Bhandup West, Mumbai 400 078 **DIN:** 00020656 ***Date of Birth:*** June 01, 1951 **Term:** March 06, 2024 to September 30, 2028 **Period of Directorship:** Since March 06, 2024 **Occupation:** Retired Banker	Non-Executive Independent Director	• Lloyds Infrastructure & Construction Limited

Confirmations

1. Neither Company nor our Directors are declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations and have not been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.

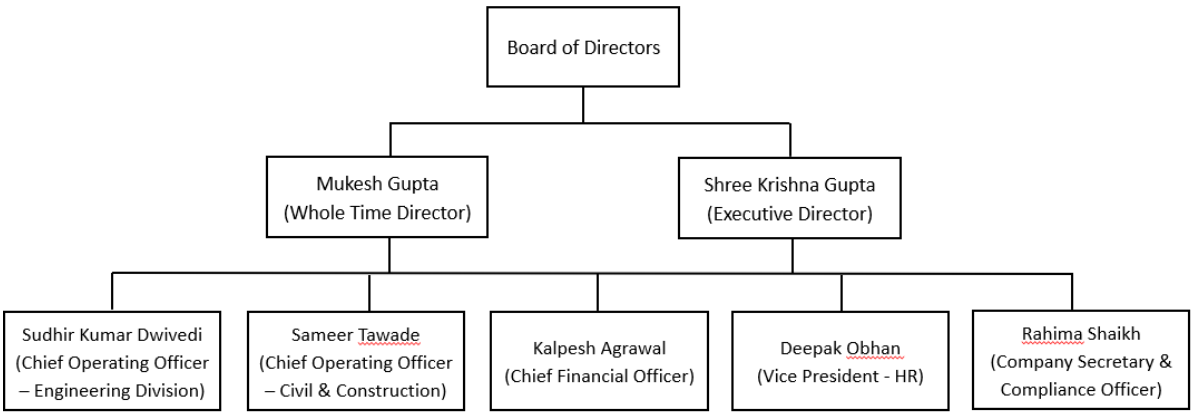
2. None of the Directors of our Company have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this Letter of Offer, during the term of his/ her directorship in such company.

3. None of our Directors of our Company are or were associated in the capacity of a director with any listed company which has been delisted from any stock exchange(s) at any time in the ten years preceding the date of filing of this Letter of Offer, during the term of his/ her directorship in such company.

4. None of our Directors have been debarred from accessing capital markets by the Securities and Exchange Board of India. Additionally, none of our Directors are or were, associated with any other company which is debarred from accessing the capital market by the Securities and Exchange Board of India.

5. None of our Directors have been identified as a wilful defaulter or fraudulent borrower, as defined in the SEBI Regulations and there are no violations of securities laws committed by them in the past and no prosecution or other proceedings for any such alleged violation are pending against them.

B. MANAGEMENT ORGANISATION STRUCTURE



C. Details of Key Managerial Personnel and Senior Management

Sr. No.	Particulars	Designation
Key Managerial Personnel		
1.	Kalpesh Agrawal	Chief Financial Officer
2.	Rahima Shaikh	Company Secretary and Compliance Officer
Senior Management (except Key Managerial Personnel)		
1.	Sudhir Dwivedi	Chief Operating Officer (Engineering Division)
2.	Sameer Tawade	Chief Operating Officer (Civil & Construction Division)
3.	Deepak Obhan	Vice President (Human Resources)

OUR PROMOTER

Our Promoters are Mukesh R. Gupta, Rajesh R. Gupta, Abha M. Gupta, Renu R. Gupta, and Lloyds Enterprises Limited *(Formerly known as Shree Global Tradefin Limited)* ("LEL").

As on date, the shareholding of the Promoters are as follows:

No.	Name of the Promoter	Number of Equity Shares	Percentage of Equity Share held (%)
1.	Mukesh R. Gupta	50,514	*Negligible*
2.	Rajesh R. Gupta	44,222	*Negligible*
3.	Abha M. Gupta	7,956	*Negligible*
4.	Renu R. Gupta	14,249	*Negligible*
5.	Lloyds Enterprises Limited (*Formerly known as Shree Global Tradefin Limited*)	48,04,12,901	41.22

Lloyds Enterprises Limited (formerly known as Shree Global Tradefin Limited)

Lloyds Enterprises Limited (formerly known as Shree Global Tradefin Limited) was incorporated on October 15, 1986 under the Companies Act, 1956 in the name and style 'Bensons Steels Limited'. The name of the company was subsequently changed to 'Shree Global Tradefin Limited' vide a fresh Certificate of Incorporation dated October 24, 1996 issued by RoC, Mumbai. The name of the company was further changed to 'Lloyds Enterprises Limited' vide fresh Certificate of Incorporation dated September 06, 2023 issued by RoC, Mumbai.

Lloyds Enterprises Limited (formerly known as Shree Global Tradefin Limited) is, inter-alia, engaged in the business of importers, exporters and dealers in iron and steel, alloy steel scrap, steel tubes, pipes and wires and also to carry on the business as investment in companies and to acquire and hold and otherwise deal in shares stock, debentures and other securities. It is listed on BSE Limited. The Company got listed on National Stock Exchange of India Limited from October 17, 2024.

Lloyds Enterprises Limited (formerly known as Shree Global Tradefin Limited) is promoted by Abha M. Gupta, Ravi Agarwal, Kiran B Agarwal, Pooja Agarwal, Rajesh Rajnarayan Gupta, Teamwork Properities Developments LLP, Blossom Trade and Interchange LLP and Crosslink Food and Farms Private Limited.

Directors of Lloyds Enterprises Limited (formerly known as Shree Global Tradefin Limited) are Rajesh R. Gupta, Jagannath Dange, Satish Kumar Gupta, Mohinder Anand, Vikram Shah, Manesh Cherian, Sandeep Aole and Babulal Agarwal.

Set forth below is the brief financial information of the Company based on its standalone audited financial statements for the last two fiscal years and Unaudited Standalone Limited Review Financial Results for the nine months period ended December 31, 2024, as reported to BSE Limited and National Stock Exchange of India:

(₹ in Lakhs)

Particulars	For nine months period ended December 31, 2024	March 31, 2024	March 31, 2023
Issued and Paid-Up Equity Capital	12,721.26	12,721.26	12,721.26
Reserves and Surplus (excluding revaluation reserves)	6,07,088.95	3,70,622.66	1,65,051.06
Total Revenue*	38,441.71	40,895.29	8,106.45
Profit (Loss) after Tax	1,460.28	7,223.66	1,060.51
Basic EPS	0.11	0.57	0.08
Total operations EPS	0.11	0.57	0.08
Net Asset Value per equity share#	48.72	30.13	13.97

**Total Revenue = revenue from operation + other income*
#Net Asset Value per equity share = Shareholders Fund / No of equity shares
^Not Annualised

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited, capital expenditure, profitable growth, cash flow and liquidity position, including cash flow required to meet contingencies, outstanding borrowings, and applicable taxes payable by our Company accumulated reserves, earnings stability, etc. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements Our Company is currently availing of or may enter into financing of our fund requirements for our business activities.

The company declared its first dividend for the financial year ending March 31, 2022, and subsequently for the financial years ending March 31, 2023, and March 31, 2024. Dividends are paid in cash via the National Automated Clearing House (NACH), RTGS, or NEFT. If bank account details are unavailable, payment is made through warrants or demand drafts.

The amount paid as dividends in the past is not necessarily indicative of our dividend distribution policy or dividend amount, if any, in the future and there is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in future. For details in relation to the risk involved, see "***Risk Factors– Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows and working capital and capital expenditure requirements.***" on page 53 of this Letter of Offer.

SECTION V – FINANCIAL INFORMATION

STANDALONE FINANCIAL STATEMENTS

UNAUDITED INTERIM FINANCIAL INFORMATION

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S Y LODHA AND ASSOCIATES
Unit No 309, New Sonal Link Industrial Service Premises
New Link Road, Malad West, Mumbai 400064; Contact: 022-35635006;
E-mail: query@syla.in; Website: www.syla.in

Independent Auditor's Limited Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The Board of Directors
Lloyds Engineering Works Limited
(Formerly Known as Lloyds Steels Industries Limited)
Plot No. A-5/5, MIDC Industrial Area,
Murbad, Thane – 421 401.

Dear Sirs,

Re: Limited Review Report of the Unaudited Standalone Financial Results for the Quarter ended 31st December, 2024.

We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **Lloyds Engineering Works Limited** for the quarter ended **31st December 2024, ("the Statement")** attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ('the Regulation') as amended (the "Listing Regulations").

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting "("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

We have conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, *"Review of Interim Financial Information performed by the Independent Auditor of the Entity,"* issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free from material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that cause us to believe that the accompanying statement of Unaudited Financial Results prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirement), read with the Circular, including the matter in which it is to be disclosed, or that it contains any material misstatement.

For S Y Lodha & Associates
Chartered Accountants
ICAI Firm Reg No. - 136002W

Shashank Lodha Digitally signed by Shashank Lodha

Shashank Lodha
Partner
M. No.: 153498
UDIN.: 25153498BMOQJA6772
Date: 13th February, 2025
Place: Mumbai

LLOYDS ENGINEERING WORKS LIMITED

(Formerly known LLOYDS STEELS INDUSTRIES LIMITED)

Regd Off. : PLOT NO. A 5/5, MIDC INDUSTRIAL AREA, MURBAD, DIST. THANE: 421401.
Phone no : +91-2524 222271 E-mail : infoengg@lloyds.in
CIN : L28900MH1994PLC081235. Website : www.lloydsengg.in

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER & NINE MONTHS ENDED DECEMBER 31, 2024

(Rs. In Lakhs)

Sr No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023	March 31, 2024
		(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)
I	Revenue From Operations	22,971.59	21,214.60	20,144.14	57,728.59	43,633.35	62,423.61
II	Other Income	958.16	575.81	116.93	1,717.67	448.48	744.00
III	Total Revenue (I+II)	23,929.75	21,790.41	20,261.07	59,446.26	44,081.83	63,167.61
IV	Expenses						
	a) Cost of Materials Consumed	12,780.26	11,747.96	9,167.56	29,410.65	26,292.09	33,646.66
	b) Purchase of Traded Goods	1,721.57	1,394.79	1,143.65	5,110.97	2,089.99	3,332.79
	c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	818.67	1,618.15	2,531.00	3,436.01	(1,272.96)	3,285.52
	d) Employee Benefits Expense	1,031.57	907.49	812.89	2,802.28	2,221.00	3,004.75
	e) Manufacturing and Other Expenses	2,691.52	2,362.87	2,917.96	7,341.81	6,880.80	9,054.20
	f) Finance Cost	201.12	166.72	71.64	502.07	289.23	416.94
	g) Depreciation & Amortisation Expense	219.55	211.15	106.28	630.19	251.75	404.56
	Total Expenses (a to g)	19,464.26	18,409.13	16,750.98	49,233.98	36,751.90	53,145.42
V	Profit / (Loss) before Exceptional Items and Tax (III-IV)	4,465.49	3,381.28	3,510.09	10,212.28	7,329.93	10,022.19
VI	Exceptional Items	-	-	-	-	-	-
VII	Profit / (Loss) before Tax (V-VI)	4,465.49	3,381.28	3,510.09	10,212.28	7,329.93	10,022.19
VIII	Tax Expense - Current Tax	1,109.75	871.27	877.81	2,360.00	1,890.96	2,591.13
	- Deferred Tax Expenses / (Income)	(12.48)	(284.86)	(75.35)	(432.64)	(431.51)	1552.77)
IX	Profit / (Loss) for the period (VII-VIII)	3,368.22	2,794.87	2,707.63	8,284.92	5,870.48	7,983.83
X	Other Comprehensive Income (OCI)						
	a) Items that will not be reclassified to Profit & Loss	(12.24)	(12.21)	(3.94)	(31.63)	41.18	39.70
	b) Income Tax relating to (a) above	3.08	3.07	0.99	7.96	(10.37)	(9.99)
	c) Items that will be reclassified to profit and loss	-	-	-	-	-	-
	d) Income Tax relating to (c) above	-	-	-	-	-	-
	Other Comprehensive Income	(9.16)	(9.14)	(2.95)	(23.67)	30.81	29.71
XI	Total Comprehensive Income/(loss) for the period (IX+X)	3,359.06	2,785.73	2,704.68	8,261.25	5,901.29	8,013.54
XII	Paid up Equity Share Capital (of Re 1/- each)	11,622.35	11,446.29	10,788.98	11,622.35	10,788.98	11,446.29
XIII	Other Equity excluding Revaluation Reserve						29,673.52
XIV	EPS - Basic (in Rs) (not annualised)	0.29	0.24	0.25	0.72	0.55	0.74
	EPS - Diluted (in Rs) (not annualised)	0.29	0.24	0.25	0.71	0.55	0.73

Lloyds Engineering Works Ltd. Mumbai 400 013

Notes :

1	The above Financial Results were reviewed and recommended by the Audit Committee and have been approved and taken on record by the Board of Directors at its meeting held on February 13, 2025.
2	These financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
3	The Statutory Auditors have carried out Limited Review of the Financial Results for the quarter ended December 31, 2024. An unqualified report has been issued by them thereon.
4	During the nine months , the Company has granted 8,84,000 options on July 30, 2024 under 'Lloyds Steels Industries Limited Employee Stock Option Plan - 2021' to the eligible employees of the Company at an exercise price of Rs. 9.50 each which is approved in the Nomination and Remuneration Committee . These Stock Options shall vest as per the vesting schedule as mentioned in LLOYDS STEELS ESOP-2021.

5	Details of Employee Stock Option for the quarter ended 31st Dec, 2024 are as follows	
	Lloyds Steels Industries Limited - Employee Stock Option Plan 2021	
	Number of Options Outstanding at the beginning of the period Oct 1, 2024	1,08,31,300
	Number of Options Exercisable at the beginning of the period Oct 1, 2024	1,78,500
	Number of Options Granted during the period	-
	Number of Options Vested during the period	-
	Number of Options Lapsed (Unvested) during the period	71,000
	Number of Options Lapsed (Unexercised) during the period	-
	Number of Options Exercised during the period	1,26,100
	Number of Options Outstanding at the end of the period Dec 31, 2024	1,07,60,300
	Number of Options Exercisable at the end of the period Dec 31, 2024	52,400

6	The Company has granted 7,34,708 options on January 1, 2025 under 'Lloyds Steels Industries Limited Employee Stock Option Plan - 2021' to the eligible employees at an exercise price of Rs. 9.50 each which is approved in the Nomination and Remuneration Committee . These Stock Options shall vest as per the vesting schedule as mentioned in LLOYDS STEELS ESOP-2021.
7	The Company was already holding 12.25% stake in Lloyds Infrastructure & Construction Limited (LICL). On January 30, 2025 the Company has further acquired a Stake of 12.25% in LICL aggregating to 24.50% stake in LICL . Hence persuant to such acquisition , LICL became an associate of the company from January 30, 2025.
8	On January 24, 2025 the Company has allotted 26,98,100 Equity shares to the eligible employees at an exercise price of Rs. 7.50 each and 5,77,240 Equity shares to the eligible employees at an exercise price of Rs. 9.50 each under Lloyds Steels Industries Limited- Employee Stock Option Plan -2021,which is approved in the Nomination and Remuneration Committee. Paidup Capital of the Company has increased from 11,622.35 Lakhs to 11,655.10 Lakhs after December 31, 2024.
9	On October 10, 2024 the Company entered into a Memorandum of Understanding ("MOU") with Bhilai Engineering Corporation Limited for acquisition of Engineering Assets of Bhilai Engineering Corporation Limited.
10	On October 15, 2024 Company acquired 77% stake in Techno Industries Private Limited. Out of 77%, 66% was through 1,76,05,634 Equity shares on Preferential Allotment in exchange of Techno Industries Private Limited shares and 11% was in Cash Consideration.
11	The Company has single business segment namely Engineering Products and Services.
12	Earning Per Share are not annualised except for the year ended March 31, 2024
13	The Orders in hand as on December 31, 2024 is Rs. 1,27,813 Lakhs.
14	Figures for the previous periods have been regrouped/ reclassified to confirm to the classification of the current periods.
15	The results for the quarter and nine months ended December 31, 2024 are available on the website of BSE at www.bseindia.com , NSE at www.nseindia.com and on company's website at www.lloydsengg.in.

PLACE : MUMBAI
DATE : February 13, 2025

Lloyds Engineering Works Ltd. Mumbai 400 013

Rukesh R. Gupta
Chairman and Whole Time Director
DIN: 00028347

S Y LODHA AND ASSOCIATES
Unit No 309, New Sonal Link Industrial Service Premises
New Link Road, Malad West, Mumbai 400064; Contact: 022-35635006;
E-mail: query@syla.in; Website: www.syla.in

Independent Auditor's Review Report on the Quarterly and Year to date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To,
The Board of Directors
Lloyds Engineering Works Limited
(Formerly Known as Lloyds Steels Industries Limited)
Plot No. A-5/5, MIDC Industrial Area,
Murbad , Thane – 421 401.

Dear Sirs,

Re: Limited Review Report of the Unaudited Consolidated Financial Results for the quarter ended 31st December, 2024 and year to date from 1st April, 2024 to 31st December, 2024.

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **Lloyds Engineering Works Limited** ("the Parent"), and its share of Profit after tax and total comprehensive loss of its subsidiary entity for the quarter ended **31st December, 2024, and year to date from 1st April, 2024 to 31st December, 2024 ("the Statement")** attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ('the Regulation') as amended (the "Listing Regulations").

2. This Statement which is the responsibility of the Parent's Management and approved by the Board of Directors has been compiled from the related interim unaudited consolidated financial results/interim unaudited consolidated financial information which has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting "("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

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3. We have conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "*Review of Interim Financial Information performed by the Independent Auditor of the Entity*," issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free from material misstatement. A review of interim financial information consists of making inquiries, primarily of personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of Unaudited Consolidated Financial Results prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Other Matters:

5. This Statement includes the results of the following:

Name of Subsidiary:

1. Techno Industries Private Limited.

6. The Statement includes the financial information of one subsidiary which has not been reviewed by us, whose financial results from 15th October,2024 to 31st December,2024 reflect total revenue (before consolidated adjustments) of INR 3,672.97 lakhs, total net profit after tax (before consolidated adjustment) of INR 264.29 lakhs, total other comprehensive income (before consolidated adjustment) of INR 264.29 lakhs. These financial results have been reviewed by other auditors whose report has been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this Subsidiary, is based solely on the report of the other auditors and the procedures performed by us as stated in above paragraph.

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These unaudited consolidated interim Financial Statements have been furnished to us by the Management and our opinion on the Consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of the Subsidiary is based solely on such unaudited interim Financial Statements.

Based on our review conducted and procedures performed as stated in paragraph 3 above, and based on the consideration of the reports of the other auditors referred to in paragraph 6 above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standard specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Our opinion on the Unaudited Consolidated Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the Financial Results/financial information certified by the Management.

For S Y Lodha & Associates
Chartered Accountants
ICAI Firm Reg No. - 136002W

Shashank Lodha Digitally signed by Shashank Lodha

Shashank Lodha
Partner
M. No.: 153498
UDIN.: 25153498BMOQJB1192
Date: 13th February, 2025
Place: Mumbai

LLOYDS ENGINEERING WORKS LIMITED
(Formerly known LLOYDS STEELS INDUSTRIES LIMITED)

Regd Off. : PLOT NO. A 5/5, MIDC INDUSTRIAL AREA, MURBAD, DIST. THANE: 421401.
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CIN : L28900MH1994PLC081235. Website : www.lloydsengg.in

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER & NINE MONTHS ENDED DECEMBER 31, 2024

(Rs. In Lakhs)

Sr. No.	Particulars	Quarter Ended December 31, 2024 (Reviewed)	Nine Months Ended December 31, 2024 (Reviewed)
I	Revenue From Operations	26,620.78	61,377.78
II	Other Income	979.74	1,739.25
III	**Total Revenue (I+II)**	**27,600.52**	**63,117.03**
IV	**Expenses**		
	a) Cost of Materials Consumed	15,151.60	31,781.99
	b) Purchase of Traded Goods	1,721.57	5,110.97
	c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in Trade	825.82	3,443.16
	d) Employee Benefits Expense	1,536.50	3,307.21
	e) Manufacturing and Other Expenses	3,033.29	7,683.58
	f) Finance Cost	253.80	554.75
	g) Depreciation & Amortisation Expense	254.70	665.34
	Total Expenses (a to g)	**22,777.28**	**52,547.00**
V	**Profit / (Loss) before Exceptional Items and Tax (III-IV)**	**4,823.24**	**10,570.03**
VI	Exceptional Items	-	-
VII	**Profit / (Loss) before Tax (V-VI)**	**4,823.24**	**10,570.03**
VIII	Tax Expense - Current Tax	1,109.75	2,360.00
	- Deferred Tax Expenses / (Income)	80.98	(339.18)
IX	**Profit / (Loss) for the period (VII-VIII)**	**3,632.51**	**8,549.21**
X	Share in Profit/(Loss) of Associates	-	-
XI	**Profit / (Loss) for the period & share in profit /(Loss) of Associate (IX+X)**	**3,632.51**	**8,549.21**
	Attributable to : Shareholders of the company	3,571.72	8,488.42
	Non-controlling interest	60.79	60.79
XII	**Other Comprehensive Income (OCI)**		
	a) Items that will not be reclassified to Profit & Loss	(12.24)	(31.63)
	b) Income Tax relating to (a) above	3.08	7.96
	c) Items that will be reclassified to profit and loss	-	-
	d) Income Tax relating to (c) above	-	-
	Other Comprehensive Income	**(9.16)**	**(23.67)**
	Attributable to : Shareholders of the company	(9.16)	(23.67)
	Non-controlling interest	-	-
XIII	**Total Comprehensive Income/(loss) for the period (XI+XII)**	**3,623.35**	**8,525.54**
	Attributable to : Shareholders of the company	3,562.56	8,464.75
	Non-controlling interest	60.79	60.79
XIV	**Paid up Equity Share Capital (of Re 1/- each)**	**11,622.35**	**11,622.35**
XV	Other Equity excluding Revaluation Reserve		
XVI	EPS - Basic (in Rs) (not annualised)	0.31	0.74
	EPS - Diluted (in Rs) (not annualised)	0.31	0.73

Lloyds Engineering Works Ltd. Mumbai 400 013

Notes :

1	The above Consolidated Financial Results were reviewed and recommended by the Audit Committee and have been approved and taken on record by the Board of Directors at its meeting held on February 13, 2025.
2	The Consolidated Financial Results of the company are being submitted for the first time under the provision of Ind AS110 Consolidated Financial Statements Since Techno Industries Pvt. Ltd. became subsidiary in this Quarter. There is no requirement of presentation of Consolidated Financial Results in the earlier periods and hence, for Quarter ended Sept 30 2024 , Quarter ended Dec 31 2023 , Nine months ended Dec 31 2023 & year ended March 31 2024 consolidated Financial results have not been provided.
3	The above Consolidated Financial Results of the Parent Company including its subsidiary have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
4	The Statutory Auditors have carried out Limited Review of the Financial Results for the quarter ended December 31, 2024. An unqualified report has been issued by them thereon.
5	During the nine months , the Company has granted 8,84,000 options on July 30, 2024 under Lloyds Steels Industries Limited Employee Stock Option Plan - 2021 to the eligible employees of the Company at an exercise price of Rs. 9.50 each which is approved in the Nomination and Remuneration Committee . These Stock Options shall vest as per the vesting schedule as mentioned in LLOYDS STEELS ESOP-2021.

6	Details of Employee Stock Option for the quarter ended 31st Dec, 2024 are as follows	
	Lloyds Steels Industries Limited - Employee Stock Option Plan 2021	
	Number of Options Outstanding at the beginning of the period Oct 1, 2024	1,08,31,300
	Number of Options Exercisable at the beginning of the period Oct 1, 2024	1,78,900
	Number of Options Granted during the period	-
	Number of Options Vested during the period	-
	Number of Options Lapsed / Unvested / during the period	71,300
	Number of Options Lapsed / Unexercised/ during the period	-
	Number of Options Exercised during the period	1,26,100
	Number of Options Outstanding at the end of the period Dec 31, 2024	1,07,60,300
	Number of Options Exercisable at the end of the period Dec 31, 2024	52,400

7	The Company has granted 7,34,708 options on January 1, 2025 under Lloyds Steels Industries Limited Employee Stock Option Plan - 2021 to the eligible employees at an exercise price of Rs. 9.50 each which is approved in the Nomination and Remuneration Committee . These Stock Options shall vest as per the vesting schedule as mentioned in LLOYDS STEELS ESOP-2021.
8	The Company was already holding 12.25% stake in Lloyds Infrastructure & Construction Limited (LICL). On January 30, 2025 the Company has further acquired a Stake of 12.25% in LICL aggregating to 24.50% stake in LICL . Hence pursuant to such acquisition , LICL became an associate of the company from January 30, 2025.
9	On January 24, 2025 the Company has allotted 26,98,100 Equity shares to the eligible employees at an exercise price of Rs. 7.50 each and 5,77,240 Equity shares to the eligible employees at an exercise price of Rs. 9.50 each under Lloyds Steels Industries Limited- Employee Stock Option Plan -2021,which is approved in the Nomination and Remuneration Committee. Paidup Capital of the Company has increased from 11,612.35 Lakhs to 11,668.10 Lakhs after December 31, 2024.
10	On October 10, 2024 the Company entered into a Memorandum of Understanding ("MOU") with Bhilai Engineering Corporation Limited for acquisition of Engineering Assets of Bhilai Engineering Corporation Limited.
11	On October 15, 2024 Company acquired 77 % stake in Techno Industries Private Limited. Out of 77 %, 66 % was through 1,39,05,834 Equity shares on Preferential Allotment in exchange of Techno Industries Private Limited shares and 11 % was in Cash Consideration.
12	Earning Per Share are not annualised except for the year end.
13	The Consolidated Orders in hand as on December 31 , 2024 is Rs. 1,33,416.65 lakhs.
14	The results for the quarter and nine months ended December 31, 2024 are available on the website of BSE at www.bseindia.com , NSE at www.nseindia.com and on company's website at www.lloydsenggy.in. The specified items of the standalone financial results of the company for the Quarter and nine months ended December 31, 2024 are given below:

Sr No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023	March 31, 2024
		(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)
a)	Revenue From Operations	20,971.59	21,214.60	20,144.14	57,728.59	43,635.35	62,423.61
b)	Profit / (Loss) before Exceptional Items and Tax	4,465.49	3,381.28	3,510.08	10,212.28	7,329.93	10,622.19
c)	Profit / (Loss) before tax	4,465.49	3,381.28	3,510.08	10,212.28	7,329.93	10,622.19
d)	Net Profit after tax	3,368.32	2,794.87	2,707.63	8,284.92	5,805.48	7,983.85

PLACE : MUMBAI
DATE : February 13, 2025

Lloyds Engineering Works Ltd. Mumbai 400 013

Mukesh R. Gupta
Chairman and Whole Time Director
DIN: 00028347

LLOYDS ENGINEERING WORKS LIMITED
(Formerly known LLOYDS STEELS INDUSTRIES LIMITED)

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UNAUDITED CONSOLIDATED SEGMENT -WISE REVENUE & RESULT

(Rs. in Lakhs)

Particulars	Quarter Ended December 31, 2024 (Reviewed)	Nine Months Ended December 31, 2024 (Reviewed)
Gross Segment Revenue		
a) Engineering	23,929.75	59,446.26
b) Electrical	3,672.97	3,672.97
Total	27,602.72	63,119.23
Less: Inter Segment Revenue	2.20	2.20
Net Segment Revenue	27,600.52	63,117.03
Segment Result		
a) Engineering	4,627.44	10,665.94
b) Electrical	410.56	410.56
Total	5,038.00	11,076.50
Less: Finance Cost	253.80	554.75
Add: Unallocable corporate income net of expenditure	39.04	48.28
Profit before exceptional items & tax	4,823.24	10,570.03
Add: Exceptional Items	-	-
Profit before tax	4,823.24	10,570.03
Segment Asset		
a) Engineering	67,411.10	67,411.10
b) Electrical	13,571.54	13,571.54
Unallocable Assets	11,530.15	11,530.15
Net Segment Asset	92,512.79	92,512.79
Segment Liabilities		
a) Engineering	21,829.90	21,829.90
b) Electrical	6,437.50	6,437.50
Unallocable Liabilities	(8.61)	(8.61)
Net Segment Liabilities	28,258.79	28,258.79

Notes :

1	The Group has reported segment information as per Ind As 108 'Operating Segments'. The identification of operating segments is consistent with performance assessment and resource allocation by the management.
2	Segment wise revenue & result of the Group are being submitted for the first time under Ind AS108 Operating Segments since Techno Industries Pvt Ltd became subsidiary in this Quarter. There is no requirement of presentation of Segment wise revenue & results in the earlier periods and hence, for Quarter ended Sept 30 2024 , Quarter ended Dec 31 2023 , Nine months ended Dec 31 2023 & year ended March 31 2024 Segment wise revenue & results have not been provided.
3	The Segment composition: 1. **Engineering segment** comprises of a) Hydrocarbon - Manufacturing & supplying process equipment such as Pressure vessels, Columns, Heat Exchangers, Waste heat recovery boilers, Air/Gas /Liquid Dryer Packages. b) Steel - Fabrication of various equipment for steel melting shop,Manufacturing equipment used in Hot rolling mill & Cold rolling mill , Pickling & other equipment required for iron & steel making. c) Marine/ Navy - Manufacture & supply of equipment for Navy Warships & Marine ships. Manufacture of Marine Loading arms d) Power - Design & manufacture of thermal power plants & various equipments like boilers, condensor , heater etc 2. **Electrical segment** comprises Manufacture & supply of a) Elevators b) Pumps & Motors.
4	Segment revenue comprises sales and operational income allocable specifically to a segment . Segment results represents profit before interest & tax. Unallocable corporate income includes recoveries from vendor, Gain on sale of Fixed Assets, Gain on termination of Lease, Liabilities no longer required
5	In respect of segment of the Group , revenue & margin do not accrue uniformly during the period

PLACE : MUMBAI
DATE : February 13, 2025

Lloyds Engineering Works Ltd. Mumbai 400 013

Mukesh R. Gupta
Chairman and Whole Time Director
DIN: 00026347

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INDEPENDENT AUDITORS REPORT

To the Members of **Lloyds Engineering Works Limited (Formerly known as Lloyds Steels Industries Ltd.)**

Report on Audit of Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of **Lloyds Engineering Works Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on 31st March, 2024, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



1. **Investment in Shares**

(Refer Note No. 7 of the standalone financial statements)

The company had invested in 10,00,00,000 equity shares of Re.1 each in Lloyds Infrastructure & Construction Limited (herein after referred as "LICL") in the second Quarter of FY 2023-24. The referred investment represented a substantial holding of 50% in LICL, thereby, establishing it as an associate entity within the corporate framework.

In the fourth quarter of F.Y. 2023-24, there was an increase in both the authorized share capital and the issued capital of LICL. As a result, the stake of the company in LICL decreased from 50% to 25%. Subsequently, in the same quarter, the company partly sold the Investments held in LICL, due to which the shareholding in LICL further reduced from 25% to 12.25%. This resulted in cessation of LICL as an associate of the company.

The Company has received the consideration for sale of the aforesaid 12.25% stake in LICL prior to 31st March 2024 and does not exercise control over this stake as at 31st March 2024

How the matter was addressed in our audit:

1. We have thoroughly reviewed the accounting treatment regarding the sale of the investment.
2. We have verified the receipt of the consideration of sale through inspection of bank statements and other supporting documents.
3. We reviewed the disclosures in the financial statements related to the sale of shares to ensure they are complete and accurate, providing sufficient information for users to understand the transaction and its financial impact.
4. We have also taken on record the Beneficial ownership pattern of equity shares of LICL duly certified by a professional Company Secretary as at 31st March 2024

2. **Capital Work In Progress**

(Refer Note No. 4 of the standalone financial statements)

The company had Capital Work in Progress (CWIP) of 1,064.66 Lakhs by the end of F.Y. 2023-24 which in comparison to last year was Rs. 2,555.31 Lakhs.

Comparing to the previous financial year, there is a decrease in the Capital Work in Progress (CWIP) balance due to capitalisation of some of the assets to Property Plant and Equipment.

How the matter was addressed in our audit:

Our audit procedures to assess the accounting for CWIP included the following.

1. Evaluation of the completeness and accuracy of the project cost capitalized as CWIP. This includes reviewing invoices, contracts, and other supporting documentation.

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2. Ensuring the cost capitalized meets the recognition criteria as per IND AS 16 'Property, Plant and Equipment'.
3. Evaluation of effectiveness of internal controls over capitalization of project costs.

3. Details Regarding OFCD, Warrants and Right Issues.

OFCD

The company issued 1,51,80,000 12% Optionally Fully Convertible Debentures (OFCD) having face value of Re. 1 each at Rs. 13.65 in F.Y 2021-22. The OFCDs shall be converted at the option of Debenture holder within a time frame of not exceeding 18 months from the date of allotment into one fully paid-up Equity shares.

In Current year there was an allotment of 1,51,80,000 Equity Shares of Face Value of Re. 1/- each pursuant to conversion of 12% Optionally Fully Convertible Debentures ("OFCDs") allotted on Preferential basis at a premium of Rs. 12.65 each to non-Promoters as per the Resolution passed at the meeting of the Board of Directors of the company on 1st July, 2023.

Warrants

The Board of Directors of the Company at its meeting held on 22nd November 2021 has made an allotment of 16,50,00,000 Convertible Warrants of Face Value of Re 1/- each at a premium of Rs. 2.86 to Promoter/ Promoter Group, on preferential allotment basis. Further the Board of Directors of the Company at its meeting held on 10th May, 2023 converted 7,50,00,000 Convertible Warrants of Face Value of Re 1/- each at a premium of Rs. 2.86 (Previous year 9,00,00,000 convertible warrants of face value of Re.1/- each at a premium of Rs. 2.86) to Promoter/ Promoter Group, on preferential allotment basis.

Right Issues

The Board of Directors at its meeting held on 18th January 2024 allotted 6,34,64,610 shares to the Equity Shareholders of the Company through Rights Issue in the ratio of 1 equity share for every 17 fully paid – up equity shares at issue price of Rs. 15.50 per equity Share (including a premium of Rs. 14.50 per equity Share). The Company has received a sum of Rs.9,837.01 Lakhs.

How the matter was addressed in our audit:

1) We have scrutinized the accounting treatment of Optionally Fully Convertible Debentures (OFCDs) , Warrants , Right Issues.

2) The Company has adequately disclosed all pertinent information in relation to the aforesaid securities in its Notes to accounts.

3) We have verified relevant documents including board resolutions related to the OFCD, Warrants, Right Issues.

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4) We have verified the receipt of consideration against the said securities and have found them to be received in full.

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

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

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

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

Management's Responsibility for the Financial Statements

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

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

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

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Auditor's Responsibility

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

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

d. The Balance Sheet, the Statement of Profit and Loss, the Cash flow statement dealt with by this Report are in agreement with the books of account;

e. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (As amended);

f. In our opinion, no financial transactions or matters have any adverse effect on the functioning of the company;

g. On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

h. We do not have any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith.

i. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

k. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us (As amended):

i. The Company has disclosed the pending litigations which may impact its financial position in Note 22 of the financial statements.

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

iii. During the year, no amounts were required to be transferred to the investor Education and Protection Fund by the Company. So, the question of delay in transferring such sums does not arise.

iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts to the standalone Ind AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (a) and (b) contain any material misstatement.; and

v. (a) The final dividend paid by the Company during the year, in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

S. Y. LODHA & ASSOCIATES * CHARTERED ACCOUNTANTS * FRN-136002W

(b) As stated in note 37 of the standalone financial statements, the Board of Directors of the Company has proposed final dividend at the rate of 20% i.e. 0.20 Paise, per equity share of Face value Re.1/- for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

For S Y Lodha & Associates
Chartered Accountants
ICAI Firm Reg No. - 136002W

S Y LODHA & ASSOCIATES * CHARTERED ACCOUNTANTS * FRN-136002W

Shashank Lodha
Partner
M. No.: 153498
UDIN.: 24153498BKDHVZ8880
Date: 2nd May, 2024
Place: Mumbai

S Y LODHA AND ASSOCIATES
Unit No 309, New Sonal Link Industrial Service Premises
New Link Road, Malad West, Mumbai 400064; Contact: 022-35635006;
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Annexure - A to Independent Auditor's Report

(Referred to in Paragraph 1 under 'Report on Other legal and Regulatory Requirement' sections of our report of even date)

The 'Annexure A 'referred to in Independent Auditor's Report to the Members of the Company on the Financial Statements for the year ended 31st March, 2024, we report that:

i. In respect of the Company's property, plant and equipment and intangible assets:

a)

A. According to the information and explanation given to us and based on the records produced before us, we are of the opinion that the Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

B. The Company is maintaining proper records showing full particulars of intangible Asset.

b) According to the information and explanation given to us, fixed assets were physically verified by the management according to a designed program 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 program, 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 explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except in the case of following property: -

Description of property	**Gross carrying value (₹ in Lakhs)**	**Held in name of**	**Whether promoter, director or their relative or employee**	**Period held – indicate range, where appropriate**	**Reason for not being held in name of company *Also indicate if in dispute**
Flat at Roopreksha Co-op. Housing Society Limited	5.15	Lloyds Steel Industries Limited	NO	01.04.2014	The company has received the property due to demerger order passed by the Bombay High Court



d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or intangible assets.

e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii.

a) According to the information and explanation given to us Inventory has been physically verified by the management during the year. No material discrepancies were noticed that would have an impact over the Financial Statements.

b) According to the information and explanation given to us and based on the records produced before us, the company has not been sanctioned any working capital limits during any time of the year in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Hence, reporting under this clause is not applicable.

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided guarantee or security to companies, firms, limited liability partnerships or any other parties during the year. Although, the Company has granted loans and provided investments to parties during the year.

a) A. The Company does not have any subsidiaries, joint ventures or associates as on the reporting date. Hence reporting under this clause is not applicable.

B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans to parties other than subsidiaries, Joint Ventures and Associates as below:

Particulars	**Loans (₹ in lakhs)**
Aggregate Amount of granted/ provided During the year - Others	3,697.00
Balance Outstanding as on 31st March, 2024 in respect of the above - Others	1,887.00

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b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are, prima facie, not prejudicial to the interest of the Company.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the schedule of repayment of principal and payment of interest has been stipulated by the Company.

d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given during the year.

e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the over dues of existing loans given to the same party.

f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given loans which are repayable on demand or without specifying any terms or period of repayment.

iv. 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.

v. According to the information and explanation given to us, the company has not accepted deposits or amounts deemed to be deposits. Therefore, reporting under this clause is not applicable.

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

vii. In respect of statutory dues:

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities and were not in arrears as at 31st March, 2024 for a period of more than six months from the date they became payable.

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b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory except Income Tax dues which have not been deposited by the Company on account of disputes are given below:

Name of Statute	Nature of Dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	1,134.02	AY 15-16	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	10.06	AY 16-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	2.20	AY 19-20	Commissioner of Income Tax (Appeals)

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

ix.

a) According to the information and explanation given to us and based on the records produced before us, the company has not defaulted in repayments of dues to financial institutions and banks.

b) According to the information and explanation given to us, the company is not declared as a willful defaulter by any Bank or Financial Institution or other lender.

c) In our opinion and according to information and explanation given to us, the company has applied the term loans for the same purpose for which they are obtained.

d) According to the information and explanation given to us, the company has not utilized funds raised on short term basis for long term purposes.

e) According to the information and explanation given to us, the Company does not have any subsidiaries, joint ventures or associates as on the reporting date. Therefore, reporting under clause (ix) (e) of the Order is not applicable.

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f) According to the information and explanation given to us, the Company does not have any subsidiaries, joint ventures or associates as on the reporting date. Therefore, reporting under (ix) (f) of the Order clause is not applicable.

x. In respect of issue of securities:

a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, reporting under this clause is not applicable.

b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence, reporting under paragraph (x)(b) of the Order is not applicable to the Company. The Company has made relevant disclosure for conversion of OFCD during the year in the Notes to accounts.

xi. In respect of fraud:

a) 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.

b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) No whistle blower complaints were received by the Company during the year. Therefore, reporting under this clause is not applicable.

xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause (xii) of Paragraph 3 of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.

xiv.

a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

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b) We have considered the internal audit reports of the Company issued till date for the period under audit.

xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors.

xvi.

a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses (xvi) (a), (b) and (c) of the Order is not applicable.

b) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, reporting under clause(xvi)(d) of Paragraph 3 is not applicable.

xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under this clause is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx.

a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 in respect of other than ongoing project. Accordingly, reporting under clauses (xx)(a) of Paragraph 3 of the Order are not applicable.

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b) In our opinion and according to the information and explanations given to us, there are no ongoing projects as per section 135 of the Companies Act. Accordingly, reporting under clauses (xx)(b) of Paragraph 3 of the Order are not applicable.

For S Y Lodha & Associates
Chartered Accountants
ICAI Firm Reg No. - 136002W

Shashank Lodha
Partner
M. No.: 153498
UDIN.: 24153498BKDHVZ8880
Date: 2nd May,2024
Place: Mumbai

S Y LODHA AND ASSOCIATES
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Annexure – B to the Independent Auditors 'Report

(Referred to in Paragraph 2(j) under 'Report on Other legal and Regulatory Requirement' sections of our report of even date)

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

We have audited the internal financial controls over financial reporting of Lloyds Engineering Works Limited ("the Company") as of 31st March, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Standalone Financial Statements and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, 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.

Management's Responsibility for Internal Financial Controls

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

Auditors 'Responsibility

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

S Y LODHA & ASSOCIATES * CHARTERED ACCOUNTANTS * FRN-136002W

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

For S Y Lodha & Associates
Chartered Accountants
ICAI Firm Reg No. - 136002W

Shashank Lodha

Shashank Lodha
Partner
M. No.: 153498
UDIN.: 24153498BKDHVZ8880
Date: 2nd May, 2024
Place: Mumbai

LLOYDS ENGINEERING WORKS LIMITED

BALANCE SHEET

(Rs. in Lakhs)

Particulars	Note No.	As At 31st March, 2024	As At 31st March, 2023
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	4	6,194.00	2,707.24
(b) Capital Work In Progress	4	1,064.66	2,555.31
(c) Goodwill	4	95.98	95.98
(d) Right To Use	5	1,458.90	530.45
(e) Financial Assets			
(i) Other Financial Assets	6	105.83	59.17
(f) Non Current Investments	7	490.01	0.01
(g) Deferred Tax Assets (Net)	10 (iii)	650.29	107.51
(h) Other Non-Current Assets	11 (i)	2,240.52	161.28
Sub Total Non-Current Assets		**12,300.19**	**6,216.95**
Current Assets			
(a) Inventories	12	10,198.30	11,457.99
(b) Financial Assets			
(i) Trade Receivables	13	15,181.07	2,909.45
(ii) Cash and Cash Equivalents	14	12,497.13	798.66
(iii) Other Balance with Banks	15	24.56	8.76
(iv) Loans	8	1,887.00	5,215.00
(v) Other Current Financial Assets	9	647.34	769.29
(c) Current Tax Assets (Net)	10 (iv)	53.48	280.71
(d) Other Current Assets	11 (ii)	4,338.75	9,428.18
Sub Total Current Assets		**44,827.63**	**30,868.04**
TOTAL ASSETS		**57,127.82**	**37,084.99**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	11,446.29	9,886.98
(b) Other Equity	17	29,673.52	9,649.45
Total Equity		**41,119.81**	**19,536.43**
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18 (i)	465.27	42.65
(i a) Lease Liabilities	18 (iv)	1,178.31	496.98
(b) Provisions	19 (i)	407.21	359.14
Sub Total Non-Current Liabilities		**2,050.79**	**898.77**
Current Liabilities			
(a) **Financial Liabilities**			
(i) Borrowings	18 (ii)	5,615.61	4,597.28
(i a) Lease Liabilities	18 (iv)	270.98	83.45
(ii) Trade Payables			
- Total Outstanding dues of Micro & Small Enterprises	20	-	-
- Total Outstanding dues of Other Than Micro & Small Enterprises		2,800.27	2,478.18
(iii) Other Financial Liabilities	18 (iii)	1,749.36	256.34
(b) Provisions	19 (ii)	385.18	321.89
(c) Other Current Liabilities	21	3,135.82	8,912.65
Sub Total Current Liabilities		**13,957.22**	**16,649.79**
Total Liabilities		**16,008.01**	**17,548.56**
TOTAL EQUITY AND LIABILITIES		**57,127.82**	**37,084.99**

The accompanying notes 1 to 44 form an integral part of these financial statements

As per our report of even date

For S Y Lodha & Associates
Chartered Accountants
ICAI Firm Reg. No. W136002W

Shashank Lodha
Partner
Membership No.: 153498
UDIN: 24153498BKDHV28880

Place: Mumbai
Date: 2nd May, 2024

For and on behalf of the Board of Directors

Mukesh R. Gupta
Chairman
DIN: 00028347

Kishore M. Pradhan
Independent Director
DIN: 02749508

Rajpash P. Agrawal
Chief Financial Officer

Rahima S. Shaikh
Company Secretary
ACS - 63449

LLOYDS ENGINEERING WORKS LIMITED
STATEMENT OF PROFIT AND LOSS

(Rs.in Lakhs)

Particulars	Note No.	Year Ended 31st March, 2024	Year Ended 31st March, 2023
INCOME			
Revenue from Operations	23	62,423.61	31,260.98
Other Income	24	744.00	579.63
Total Income		**63,167.61**	**31,840.61**
Expenses			
Cost of Raw Material Consumed	25	33,646.66	21,905.23
Purchase of Traded Goods	26	3,332.79	1,060.24
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	27	3,285.52	(4,150.68)
Employee Benefits Expense	28	3,004.75	1,906.46
Manufacturing and Other Expenses	29	9,054.20	5,314.99
Finance Costs	30	416.94	394.16
Depreciation and Amortization Expense	31	404.56	238.26
Total Expenses		**53,145.42**	**26,668.66**
Profit before Exceptional Items and Tax		**10,022.19**	**5,171.95**
Exceptional Items	29 (i)	-	250.00
Profit Before Tax		**10,022.19**	**4,921.95**
Tax Expense:			
(1) Current Tax	10 (ii)	2,591.13	993.53
(2) Deferred Tax Expenses / (Income)	10 (iii)	(552.77)	246.11
Total Tax Expenses		**2,038.36**	**1,239.64**
Profit for the Period		**7,983.83**	**3,682.31**
Other Comprehensive Income			
Items not to be reclassified to profit or loss			
Re-measurement (losses)/gains on defined benefit plans	28	39.70	42.86
Income Tax relating to items not to be reclassified to Profit and Loss	10 (iii)	(9.99)	(10.79)
Other Comprehensive Income for the year		**29.71**	**32.07**
Total Comprehensive (loss) / gain for the year		**8,013.54**	**3,714.38**
Earnings per share (In Re) (Face value Re 1/- each)	32		
EPS – Basic (in Rs.)		**0.74**	**0.38**
EPS – Diluted (in Rs.)		**0.73**	**0.35**

The accompanying notes 1 to 44 form an integral part of these financial statements

As per our report of even date
For S Y Lodha & Associates
Chartered Accountants
ICAI Firm Reg. No.: W136002W

Shashank Lodha
Partner
Membership No.: 153498
UDIN: 24153498BKDHVZ8880

Place: Mumbai
Date: 2nd May, 2024

For and on behalf of the Board of Directors

Mukesh R. Gupta
Chairman
DIN: 00028347

Kishore M. Pradhan
Independent Director
DIN: 02749508

Kalpesh P. Agrawal
Chief Financial Officer

Rahima S. Shaikh
Company Secretary
ACS - 63449

(Rs. in Lakhs)

	Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
	Components of Cash and Cash Equivalents		
	Cash in Hand	-	0.08
	Balance with Bank		
	Balance with Schedule Banks in: Current Accounts	99.23	47.07
	Bank: Deposits with original maturity of three months or less	25.12	18.32
	Earmarked Balance with Bank	24.56	8.76
	In Margin Account (Including FDR)	3,469.78	732.60
	Cash and Bank Balances as per Note 14	**3,618.69**	**807.43**
	Less: Margin Money not considered as Cash and Cash Equivalent in Cash Flow	3,469.78	732.60
	Less: Earmarked Balance with Bank	24.56	8.76
	Total Cash and Cash Equivalents	**124.35**	**66.07**

The accompanying notes 1 to 44 form an integral part of these financial statements.

Notes:

1. Cash Flow statement has been prepared following the indirect method except in case of dividend paid/received and taxes paid which have been considered on the basis of actual movements of cash.

2. Cash and cash equivalents represent cash and bank balances including current account and earmarked balance with Bank.

3. Previous year's figures have been regrouped / reclassified wherever applicable.

4. Figures in brackets represent outflows.

As per our report of even date

For S Y Lodha & Associates
Chartered Accountants
ICAI Firm Reg. No.: W136002W

Shashank Lodha
Partner
Membership No.: 153498
UDIN: 24153498BKDHVZ8880

For and on behalf of the Board of Directors

Mukesh R. Gupta
Chairman
DIN: 00028347

Kishore M. Pradhan
Independent Director
DIN: 02749508

Kalpesh P. Agrawal
Chief Financial Officer

Rahima S. Shaikh
Company Secretary
ACS - 63449

Place: Mumbai
Date: 2nd May, 2024

Nature and Purpose of Reserves

a) **Capital Reserve**
This reserve represents recognises profit and loss on purchase, sale, issue or cancellation of the Company's own equity instruments.

b) **Retained Earnings**
This reserve represents undistributed accumulated earnings of the Company as on the balance sheet date.

c) **Share Based Payment Reserve**
Share based payment reserve represents the cumulative expense recognized for equity-settled transactions at each reporting date until the employee share options are exercised/expired upon which such amount is transferred to Retained Earnings.

d) **Securities Premium**
Security Premium Reserve is the amount received over and above the face value of any share when the shares are issued, redeemed, and forfeited. Utilisation of Securities Premium is as per section 52 of The Companies Act, 2013.

The accompanying notes 1 to 44 form an integral part of these financial statements.

As per our report of even date
For S Y Lodha & Associates
Chartered Accountants
ICAI Firm Reg. No.: W136002W

Shashank Lodha
Partner
Membership No.: 153498
UDIN: 24153498BKDHVZ8880

Place: Mumbai
Date: 2nd May, 2024

For and on behalf of the Board of Directors

Mukesh R. Gupta
Chairman
DIN: 00028347

Kishore M. Pradhan
Independent Director
DIN: 02749508

Kalpesh P. Agrawal
Chief Financial Officer

Rahima S. Shaikh
Company Secretary
ACS - 63449

Lloyds Engineering Works Ltd. Mumbai 400 013

- Nature of CSR Activities	The Company's CSR program is focused on improving the quality of life of the communities by providing them good nutritious diet. We are Proud that Our Organization with the help of Akshaya Chaitanya an NGO in Mumbai with an attempt to make food accessible to the needy across Mumbai by serving them hot, nutritious, locally palatable meals prepared at their very own state-of-the-art FSSAI compliant kitchen. We were able to contribute with the NGO to scale up the operations and to feed about 14,000+ people every day with hot and nutritious meals.

43. Previous year's figures are regrouped and rearranged wherever necessary.

44. Approval of Financial Statements.

The Financial Statements were approved by the Board of Directors on May 2, 2024.

As per our report of even date
For S Y Lodha & Associates
Chartered Accountants
ICAI Firm Reg. No. W136002W

Shashank Lodha
Partner
Membership No. 153498
UDIN: 24153498BKDHVZ8880

Place: Mumbai
Date: 2nd May, 2024

For and on behalf of the Board of Directors

Mukesh R. Gupta
Chairman
DIN: 00028347

Kishore M. Pradhan
Independent Director
DIN: 02749508

Kalpesh P. Agrawal
Chief Financial Officer

Rahima S. Shaikh
Company Secretary
ACS - 63449

LLOYDS ENGINEERING WORKS LIMITED

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024

A. Equity Share Capital

(Rs. In Lakhs)

Balance as at 1st April 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1st April, 2023	Changes in equity share capital during the current year	Balance as at 31st March, 2024
9,886.98	-	9,886.98	1,559.31	**11,446.29**

Balance as at 1st April, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1st April, 2022	Changes in equity share capital during the current year	Balance as at 31st March, 2023
8,986.98	-	8,986.98	900.00	**9,886.98**

B. Other Equity

(Rs. In Lakhs)

Particulars	Reserves and Surplus				Money received against Convertible Warrants	Total Equity
	Capital Reserve	Retained Earnings	Securities Premium	Share Based Payment Reserve		
As at 1st April, 2023	**5.00**	**6,166.84**	**2,574.00**	**186.97**	**716.64**	**9,649.45**
Profit for the year	-	7,983.83	-	-	-	7,983.83
Other Comprehensive Income (Net of Tax)*	-	29.71	-	-	-	29.71
Total Comprehensive Income	**-**	**8,013.54**	**-**	**-**	**-**	**8,013.54**
Money received against Convertible Warrants	-	-	-	-	2,171.25	2,171.25
Warrant Expenses	-	-	-	-	7.11	7.11
Premium against Conversion of Optional Fully Convertible Debentures	-	-	1,920.27	-	-	1,920.27
Dividend Paid	-	(1,078.88)	-	-	-	(1,078.88)
Transaction Cost for Right Issue	-	(174.80)	-	-	-	(174.80)
Premium against issue of Shares under ESOP	-	-	148.62	-	-	148.62
Share Based Payment Expenses	-		-	564.59	-	564.59
Transfer from SBP Reserve **		1.81		(1.81)		-
Premium against Right Issue	-	-	9,202.37	-	-	9,202.37
Conversion of Convertible Warrant by Warrant Holder	-	-	2,145.00	-	(2,895.00)	(750.00)
As at 31st March, 2024	**5.00**	**12,928.51**	**15,990.26**	**749.75**	**-**	**29,673.52**

** Transfer of Compensation Cost from Share Based Payment Reserve to Retained Earnings due to exercise of Shares by Employees.

(Rs. In Lakhs)

Particulars	Reserves and Surplus				Money received against Convertible Warrants	Total Equity
	Capital Reserve	Retained Earnings	Securities Premium	Share Based Payment Reserve		
As at 1st April, 2022	**5.00**	**2,946.81**	-	-	**1,585.14**	**4,536.95**
Profit for the year	-	3,682.31	-	-	-	3,682.31
Other Comprehensive Income (Net of Tax)*	-	32.07	-	-	-	32.07
Total Comprehensive Income	-	**3,714.38**	-	-	-	**3,714.38**
Money received against Convertible Warrants	-	-	-	-	2,605.50	2,605.50
Dividend Paid	-	(494.35)	-	-	-	(494.35)
Share Based Payment Expenses	-	-	-	186.97	-	186.97
Conversion of Convertible Warrant by Warrant Holder	-	-	2,574.00	-	(3,474.00)	(900.00)
As at 31st March, 2023	**5.00**	**6,166.84**	**2,574.00**	**186.97**	**716.64**	**9,649.45**

*Profit of Rs. 29.71 lakhs and Rs. 32.07 Lakhs on Remeasurement of defined Employee Benefit Plan (net of tax) is recognised as a part of retained earnings for the years ended March 31, 2024 and 2023, respectively.

During the year, the Board of Directors on May 10, 2023 approved the issuance and allotment of 7,50,00,000 (previous year 9,00,00,000 equity shares) equity shares of face value of Re. 1/- each ("Equity Shares") at a price of Rs.3.86 each to the warrant holders i.e. Lloyds Metals & Minerals Trading LLP and Aeon Trading LLP pursuant to conversion of 7,50,00,000 convertible warrants ("Convertible Warrants") into equity shares of the Company in the ratio of 1:1 consequent to the exercise of the option to convert such Convertible Warrants into equity shares of the Company.

The Board of Directors at its meeting held on July 1, 2023 has considered and approved the allotment of 1,51,80,000 Equity Shares of Re. 1/- each at a premium of Rs. 12.65 each pursuant to conversion of 12% Optionally Fully Convertible Debentures ("OFCDs") consequent to exercise of the option to convert such OFCDs into Equity shares of the Company.

The Board of Directors at its meeting held on January 18, 2024 allotted 6,34,64,610 shares to the Equity Shareholders of the Company through Rights Issue at issue price of Rs. 15.50 per equity Share (including a premium of Rs. 14.50 per equity Share).

The Company has allotted 22,86,500 shares under 'Lloyds Steels Industries Limited Employee Stock Option Plan – 2021' to Lloyds Steels Employees Trust at a Price of Rs. 7.50 each. These stock options will be exercise by the employees within the time mentioned in LLOYDS STEELS ESOP – 2021."

In view of the above the Paid-up Equity Share Capital of the Company was increased from Rs. 98,86,98,382 /- (98,86,98,382 Equity share of face value of Re. 1 each) to Rs. 1,14,46,29,492/- (1,14,46,29,492 Equity shares of face value of Re. 1 each).

During the year, the Company has granted 32,52,200 (previous year 1,00,61,000) options on April 27, 2023 under 'Lloyds Steels Employee Stock Option Plan – 2021' to the eligible employees of the Company at an exercise price of Rs. 9.50 each. These stock options shall vest as per the vesting schedule as mentioned in LLOYDS STEELS ESOP – 2021."

S. Y. LODHA & ASSOCIATES FRN-136002W CHARTERED ACCOUNTANTS

Lloyds Engineering Works Ltd. Mumbai 400 013

LLOYDS ENGINEERING WORKS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

(Rs. in Lakhs)

Sr. No.	Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
A	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Profit Before Tax	**10,022.19**	**4,921.95**
	Adjustments For:		
	Depreciation and Amortization Expenses on Tangible Assets	404.56	148.08
	(Gain)/Loss on sale of Property, Plant & Equipment (Net of Loss on Assets Scrapped / Written off)	(40.53)	57.77
	Re-measurements of the defined benefit liabilities (before tax effects)	39.70	42.86
	Compensation Cost on ESOP	564.58	186.98
	Gain on Termination of Lease Rent	(2.44)	-
	Interest Income	(600.10)	(558.58)
	Convertible Warrant transferred to Profit & Loss Account	7.11	-
	Finance Cost	283.36	267.88
	Unrealized Foreign Exchange (Gain) / Loss (Net)	(7.42)	8.53
	Operating Profit/(Loss) Before Working Capital Changes	**10,671.01**	**5,075.47**
	Movements in Working Capital		
	Decrease / (Increase) in Inventories	1,259.69	(6,572.92)
	Decrease / (Increase) in Trade Receivables	(12,271.61)	(1,926.86)
	Decrease / (Increase) in Other Current Assets	5,096.62	(4,756.52)
	Decrease / (Increase) in Other Non-Current Assets	(73.47)	-
	Decrease / (Increase) Other Financial Assets, Non-Current Portion	(46.66)	1.26
	Decrease / (Increase) Other Financial Assets, Current Portion	128.57	(267.56)
	Decrease / (Increase) Other Bank Balances	(2,737.18)	549.82
	Increase / (Decrease) in Trade Payables	322.31	1,594.02
	Increase / (Decrease) in Other Current Liabilities	(5,776.83)	7,082.17
	Increase / (Decrease) Provision, Current Portion	63.30	235.97
	Increase / (Decrease) Provision, Non-Current Portion	48.07	(58.80)
	Increase / (Decrease) Other Financial Liabilities, Current Portion	1,512.71	(197.60)
	Increase / (Decrease) Other Financial Liabilities, Non-Current Portion	(330.90)	14.71
	Cash Generated From / (Used In) Operation	**(2,134.37)**	**773.16**
	Direct Taxes (Paid) Net of Refunds	(2,363.91)	(1,083.31)
	Net Cash Generated From /(Used In) Operating Activities (A)	**(4,498.28)**	**(310.15)**
B	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Payment towards Capital Expenditure (including Capital Advances)	(5,082.53)	(3,522.42)
	Proceeds from Sale of Property, Plant & Equipment	879.09	36.25
	Inter Corporate Deposits (Given) / Refunded (Net)	3,328.00	(2,340.00)
	Investment in Shares	(1,000.00)	(0.01)
	Bank Deposits not considered as Cash & Cash Equivalents (Net)	(8,903.00)	-
	Proceeds from Sale of Investments	510.00	-
	Interest Received	593.49	460.80
	Net Cash Generated From (Used In) Investing Activities (B)	**9,674.95**	**(5,365.38)**
C	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Proceeds from Long Term Borrowings	3,513.02	2,721.26
	Dividend Paid	(1,078.88)	(494.35)
	Proceeds from Issue of Convertible Warrants	2,171.25	2,605.50
	Proceeds from Right Issue	9,837.01	-
	Transaction Cost for Right Issue	(174.80)	-
	Proceeds from the Issue of Equity Shares under ESOP	171.49	-
	Interest Paid	(207.58)	(267.80)
	Net Cash Generated From / (Used In) Financing Activities (C)	**14,231.51**	**4,564.61**
	Net Increase/(Decrease) In Cash and Cash Equivalents (A+B+C)	**58.28**	**(1,110.92)**
	Cash and Cash Equivalents at the Beginning of the Period	66.07	1,176.99
	Cash and Cash Equivalents at the End of the Period	124.35	66.07
	Net Increase/(Decrease) in Cash and Cash Equivalents	**58.28**	**1,110.92**

S. Y. LODHA & ASSOCIATES FRN: 136002W CHARTERED ACCOUNTANTS

Lloyds Engineering Works Ltd. Mumbai 400 013

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

1. Corporate Information

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

The name of the company has been changed from **"Lloyds Steels Industries Limited"** to **"Lloyds Engineering Works Limited"** with effect from July 25, 2023 and approved by Registrar of Companies.

2. Summary of Significant Accounting Policies

2.1 Basis of Preparation

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

Presentation of Financial Statements

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

The financial statements for the year ended March 31, 2024 are authorized for issue by the Company's Board of Directors at their meeting held on **May 2, 2024.**

S. Y. LODHA & ASSOCIATES FRN-136002W CHARTERED ACCOUNTANTS

Lloyds Engineering Works Ltd. Mumbai 400 013

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

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

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

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

2.2 Basis of Measurement

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

Fair Value Measurement

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

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

2.3 Foreign Currency Transactions

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

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

Monetary Assets and Liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date with the resulting foreign exchange differences. On subsequent re-statement/settlement, the same is recognised in the statement of profit and loss within finance costs / finance income. Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevalent, at the date of initial recognition (in case they are measured at historical cost) or at the date when the fair value is determined (in case they

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are measured at fair value). Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

2.4 Current Versus Non-Current Classification

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

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

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

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

2.5 Property, Plant and Equipment ('PPE')

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

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

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

Depreciation on PPE is computed using the straightline method over the estimated useful lives. Depreciation is provided as per useful life of the assets as prescribed in schedule II of the Companies Act. The Company has established the estimated range of useful lives of different categories of PPE as follows:

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

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

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

All directly attributable expenditure and interest cost on Borrowed Capital during the project construction period are accumulated and shown as Capital Work-in-Progress until the project/assets are put to use. Assets under construction are not depreciated.

2.6 Intangible Assets

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

2.7 Impairment of Non-Financial Assets – PPE

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

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

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Reversal of Impairment Losses

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

b. Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. Goodwill is initially measured at cost, being the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS 103, Business Combinations.

Goodwill is considered to have indefinite useful life and hence is not subject to amortization but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment

For the purpose of impairment testing, goodwill acquired in a Business Combination, is from the acquisition date, allocated to each of the Group's cash generating units (CGUs) that are expected to benefit from the combination. A CGU is the smallest identifiable Group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or Group of assets. Each CGU or a combination of CGUs to which goodwill is so allocated represents the lowest level at which goodwill is monitored for internal management purpose and it is not larger than an operating segment of the Group.

A CGU to which goodwill is allocated is tested for impairment annually, and whenever there is an indication that the CGU may be impaired, by comparing the carrying amount of the CGU, including the goodwill, with the recoverable amount of the CGU. If the recoverable amount of the CGU exceeds the carrying amount of the CGU, the CGU and the goodwill allocated to that CGU is regarded as not impaired. If the carrying amount of the CGU exceeds the recoverable amount of the CGU, the Group recognizes an impairment loss by first reducing the carrying amount of any goodwill allocated to the CGU and then to other assets of the CGU pro-rata based on the carrying amount of each asset in the CGU.

Any impairment loss on goodwill is recognized in the Statement of Profit and Loss. An impairment loss recognized on goodwill is not reversed in subsequent periods.

On disposal of a CGU to which goodwill is allocated, the goodwill associated with the disposed CGU is included in the carrying amount of the CGU when determining the gain or loss disposal.

2.8 Leases:

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

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

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

In March 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2019, notifying Ind AS 116 - 'Leases'. This standard is effective from 1st April, 2019. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Ind AS 116 - Leases amends the rules for the lessee's accounting treatment of operating leases. According to the standard all operating leases (with a few exceptions) must therefore be recognized in the balance sheet as lease assets and corresponding lease liabilities. The lease expenses, which were recognised as a single amount (operating expenses), will consist of two elements: depreciation and interest expenses. The standard has become effective from 2019 and the Company has assessed the impact of application of Ind AS 116 on Company's financial statements and provided necessary treatments and disclosures as required by the standard. (Refer Note No 5).

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Right to use asset

Right-of-use assets, are measured at cost less any accumulated depreciation and, if necessary, any accumulated impairment. The cost of a right-of-use asset comprises the present value of the outstanding lease payments plus any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and an estimate of costs to be incurred in dismantling or removing the underlying asset. In this context, the Company also applies the practical expedient that the payments for non-lease components are generally recognized as lease payments. If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the right-of-use asset is depreciated to the end of the useful life of the underlying asset. Otherwise, the right-ofuse asset is depreciated to the end of the lease term.

Lease liability

Lease liabilities, which are assigned to financing liabilities, are measured initially at the present value of the lease payments. Subsequent measurement of a lease liability includes the increase of the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

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2.9 Financial Instruments:

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial Recognition

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value measured on initial recognition of financial asset. However, trade receivable that do not contain a significant financing component are measured at transaction price.

Subsequent Measurement

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

Financial Assets Measured at Amortised Cost

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

Fair Value through Other Comprehensive Income (FVOCI):

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

Fair Value through Profit or Loss

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

Impairment

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

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Financial Liabilities

Initial Recognition

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent Recognition

The subsequent measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. Changes in fair value of such liability are recognized in the statement of profit or loss.

Financial liabilities at amortized cost

The Company's financial liabilities at amortized cost are initially recognized at net of transaction costs and includes trade payables, borrowings including bank overdrafts and other payables.

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method except for deferred consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

2.10 Taxes

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

a. Current Tax

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

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

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b. Deferred Tax

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

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

The unrecognised deferred tax assets/carrying amount of deferred tax assets are reviewed at each reporting date for recoverability and adjusted appropriately. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

2.11 Inventories

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

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

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

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

2.12 Cash and Cash Equivalents

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

2.13 Share Capital

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

2.14 Employee Benefits

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

a. **Short Term Employee Benefits**

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

b. **Post Employment Benefits – Gratuity**

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

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

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

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

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

c. Other Employee Benefits – Leave Encashment

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

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

d. Stock Options

Stock Options are granted to eligible employees under the LLOYDS STEELS ESOP – 2021, as may be decided by the Nomination & Compensation Committee / Board. Eligible employees for this purpose include employees of the company. Under Ind AS, the cost of Stock Options is recognised based on the fair value of Stock Options as on the grant date.

While the fair values of Stock Options granted is recognised in the Statement of Profit and Loss for employees of the company (other than those out on deputation).

2.15 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the said obligation and the amounts of the said obligation can be reliably estimated. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

2.16 Amortisation of Expenses

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

2.17 Contingencies

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

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

2.18 Revenue Recognition

Revenue is recognised upon transfer of control of promised goods to customers i.e., when the performance obligation gets fulfilled in an amount that reflects the consideration which the company expects to receive in exchange for that particular performance obligation.

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Revenue is measured based on the transaction price, which is the net of variable consideration, adjusted for discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

a. Revenue From Operations

i. Sale of Goods

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

ii. Rendering of Services

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

iii. Revenue Recognition on Percentage Completion Basis

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

b. Other Revenue

1) Customs Duty

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

2) Interest Income

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

3) Other Income/Miscellaneous Income

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

2.19 Borrowing Costs

i. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

ii. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

iii. The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset. The Company suspends capitalisation of borrowing costs during extended periods in which it suspends

2.20 Earnings Per Share ('EPS')

Basic earnings per share is calculated by dividing the net profit attributable to the equity shareholders of the Company with the weighted average number of equity shares outstanding during the financial year, adjusted for treasury shares.

Diluted Earnings per share is calculated by dividing net profit attributable to the equity shareholders of the Company with the weighted average number of shares outstanding during the financial year, adjusted for the effects of all dilutive potential equity shares.

2.21 Statement of Cash Flows

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

i. changes during the period in inventories and operating receivables/payables transactions of a non-cash nature;
ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses and undistributed profits of associates; and

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

2.22 Unclaimed Dividend

The Ministry of Corporate Affairs had notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules)

As per these Rules, dividends which are not encashed / claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the companies to transfer such shares of Members of whom dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority.

2.23 Dividend Distribution

Dividends paid (including income tax thereon) are recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

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3. Critical Judgements and Estimation in applying the Company's Accounting Policies

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

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

The areas involving critical estimates and judgements are:

a) Estimation of current tax expenses and payable.

b) Recognition of deferred tax assets for carried forward tax losses - Refer Note No. 10

c) Revenue Recognition - Refer Note No. 23

d) Estimation of defined benefit obligation – Refer Note No. 28

4. Property, Plant and Equipment (PPE)

(Rs in Lakhs)

Particulars	Land	Building	Plant & Machinery	Computers	Electrical Installations	Office Equipments	Furniture & Fixtures	Motor Vehicles	Total
Cost as at April 1, 2023	**411.13**	**1,113.36**	**3,485.80**	**48.29**	**146.93**	**106.64**	**261.66**	**305.57**	**5,879.38**
Additions	-	75.85	2,946.28	47.95	450.54	103.59	235.00	708.19	4,567.40
Disposals	-	-	860.52	-	-	-	-	80.32	940.84
Cost as at March 31, 2024	**411.13**	**1,189.21**	**5,571.56**	**96.24**	**597.47**	**210.23**	**496.66**	**933.44**	**9,505.94**
Accumulated Depreciation as on April 1, 2023	-	**591.08**	**1,960.70**	**12.88**	**138.58**	**83.40**	**214.82**	**170.68**	**3,172.14**
Depreciations	-	29.82	85.95	23.38	1.22	21.87	17.99	61.84	242.07
Disposals	-	-	37.40	-	-	-	-	64.87	102.27
Accumulated Depreciation as on March 31, 2024	-	**620.90**	**2,009.25**	**36.26**	**139.80**	**105.27**	**232.81**	**167.65**	**3,311.94**
Net Carrying Cost as at March 31, 2024	**411.13**	**568.31**	**3,562.31**	**59.98**	**457.67**	**104.96**	**263.85**	**765.79**	**6,194.00**
Capital Work in Progress									**1,064.66**
Total									**7,258.66**

(Rs in Lakhs)

Particulars	Land	Building	Plant & Machinery	Computers	Electrical Installations	Office Equipments	Furniture & Fixtures	Motor Vehicles	Total
Cost as at April 1, 2022	**146.66**	**824.80**	**3,344.66**	**190.38**	**146.93**	**90.97**	**257.32**	**273.48**	**5,275.20**
Additions	264.47	295.38	1,355.14	35.45	-	15.67	4.34	57.44	2,027.89
Disposals	-	6.82	1,214.00	177.54	-	-	-	25.35	1,423.71
Cost as at March 31, 2023	**411.13**	**1,113.36**	**3,485.80**	**48.29**	**146.93**	**106.64**	**261.66**	**305.57**	**5,879.38**
Accumulated Depreciation as on April 1, 2022	-	**572.84**	**3,021.15**	**174.96**	**137.07**	**81.87**	**205.12**	**159.38**	**4,352.39**
Depreciations	-	24.24	77.23	8.90	1.51	1.53	9.70	24.97	148.08
Disposals	-	6.00	1,137.68	170.98	-	-	-	13.67	1,328.33
Accumulated Depreciation as on March 31, 2023	-	**591.08**	**1,960.70**	**12.88**	**138.58**	**83.40**	**214.82**	**170.68**	**3,172.14**
Net Carrying Cost as at March 31, 2023	**411.13**	**522.28**	**1,525.10**	**35.41**	**8.35**	**23.24**	**46.84**	**134.89**	**2,707.24**
Capital Work in Progress									**2,555.31**
Total									**5,262.55**

Note: There are no charge on the all above assets of the company other than on Motor vehicle to the extent of Rs.649.36 lakhs.

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Ageing for Capital – Work – in – Progress as at March 31, 2024 is as follows

(Rs. in Lakhs)

CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	1,064.66	-	-	-	1,064.66

Ageing for capital – work – in – progress as at March 31, 2023 is as follows

(Rs. In Lakhs)

CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	2,181.69	373.62	-	-	2,555.31

Ageing for Goodwill as at March 31, 2024 is as follows

(Rs. in Lakhs)

CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Goodwill	-	-	-	95.98	95.98

Ageing for Goodwill as at March 31, 2023 is as follows

(Rs. in Lakhs)

CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Goodwill	-	-	-	95.98	95.98

Allocation of Goodwill to cash generating units

Goodwill is allocated to the following cash generating unit ("CGU") for impairment testing purpose

(Rs. In lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Engineering Business	95.98	95.98

The recoverable amount of this CGU for impairment testing is determined based on value-in-use calculations which uses cash flow projections based on financial budgets approved by management covering a five-year period (Previous year - five year), as the Company believes this to be the most appropriate timescale for reviewing and considering annual performance before applying a fixed terminal value multiple to the final cash flows.

As at 31st March, 2024 and 31st March, 2023, goodwill in respect of Engineering Business was not impaired.

Key Assumptions used for value in use calculations are as follows:

Particulars	31st March, 2024	31st March, 2023
Compounded average net sales growth rate for five years period (previous year – five year)	26.00 %	31.00 %
Growth rate used for extrapolation of cash flow projections beyond the five – years period (previous year – five year)	4.00 %	4.00 %
Discount rate	10.00 %	10.00 %

Management believes that any reasonable possible change in any of these assumptions would not cause the carrying amount to exceed its recoverable amount.

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Discount Rates - Management estimates discount rates using pre-tax rates that reflect current market assessment of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Company and its operating segments and is derived from its weighted average cost of capital.

Growth Rates - The growth rates are based on industry growth forecasts. Management determines the budgeted growth rates based on past performance and its expectations on demand condition. The weighted average growth rates used are consistent with industry reports

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

The Right To Use value disclosed is as per Ind AS 116 (Lease Impact). The Impact of Ind AS 116 on the Company's financial statements at 31 March 2024 is as follows:

The details of the right-of-use assets held by the Company as on 31st March, 2024 is as follows:

(Rs in Lakhs)

	Additions (Net of Termination) for year ended March 31, 2024	Net carrying amount as at March 31, 2024
Building	1,092.35	1,458.90
Total	1,092.35	1,458.90

Expenses (Income) on right-of-use assets are as follows: (Rs in Lakhs)

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on Building	155.25	85.16
Interest on Lease Liabilities	111.27	47.87
Total	**266.52**	**133.03**

The details of the right-of-use assets held by the Company as on 31st March, 2023 is as follows: (Rs in Lakhs)

	Additions for year ended March 31, 2023	Net carrying amount as at March 31, 2023
Building	230.58	521.80
Total	**230.58**	**521.80**

Expenses (Income) on right-of-use assets are as follows: (Rs in Lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on Building	85.16	49.30
Interest on Lease Liabilities	47.87	38.05
Total	**133.03**	**87.35**

Statement of Cash Flows:

The total cash outflow for leases is **Rs. 332.32 lakhs** and **Rs. 109.67 lakhs** for years ended March 31, 2024 and 2023, respectively.

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6. Other Financial Asset (Non-Current)

(Rs. in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Non-current		
Security Deposits, Considered Good	105.83	59.17
Total	**105.83**	**59.17**

7. Investments – Non-Current

(Rs. In Lakhs)

Particulars	31st March, 2024	31st March, 2023
Investment designated at Amortised value through profit and loss Investments in Equity Instruments. (unquoted - fully paid up)		
Citizencredit Co-operative Bank Limited 100 Equity Shares of Rs. 10/- each (100 Equity Shares of Rs. 10/- each) – at cost	0.01	0.01
Lloyds Infrastructure & Construction Limited (4,90,00,000 Equity Shares of Re. 1/- each (Previous Year Rs. Nil) – at cost	490.00	-
Total value of unquoted shares	**490.01**	**0.01**

Aggregate value of quoted and unquoted Investments is as follows:

(Rs.in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Aggregate value of quoted Investments	-	-
Aggregate value of unquoted Investments	490.01	0.01
Aggregate Value of Impairment of Investments	-	-

8. Loans

(Rs.in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Loans to Others (Unsecured)		
Inter Corporate Deposits, Considered Good	1,887.00	5,215.00
Total	**1,887.00**	**5,215.00**

9. Other Current Financial Asset

(Rs.in Lakhs)

Particulars	31st March, 2024	31st March, 2023
- Security Deposits, Considered Good	177.26	19.52
- Tax Recoverable	147.16	630.21
- Interest Receivable	322.92	119.56
Total	**647.34**	**769.29**

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10. Income Taxes

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

(Rs. in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Opening balance	**107.51**	**364.41**
Tax (Expense)/ Income Recognised in statement of Profit and Loss	552.77	(246.11)
Tax Income/ (Expense) Recognised in OCI	(9.99)	(10.79)
Closing Balance	**650.29**	**107.51**

ii. The Major Component of the Tax Expenses / (Income) are:

(Rs. in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Current Income Tax		
For the Year	2,591.13	993.53
Deferred Tax		
For the Year	(542.78)	256.90
Income Tax Expenses	**2,048.35**	**1,250.43**

iii. The Analysis of Deferred Tax Assets / (Liabilities) and Expenses/(Income) is as follows

(Rs.in Lakhs)

Particulars	Opening Balance as on 1st April, 2023	Recognised in Profit & Loss Account (Expenses) / Income	Recognised in Other Comprehensive Income	Closing Balance as on 31st March, 2024
Deferred Tax Assets				
Leasehold Assets	14.76	(38.78)	-	(24.02)
Security Deposit	0.16	21.44	-	21.60
Employee Benefits	109.36	21.94	(9.99)	121.31
Written Down Value on Property, Plant and Equipment	(67.70)	(85.40)	-	(153.10)
Expenses allowed in future period	4.30	(4.30)	-	-
Optional Fully Convertible Debenture	(0.24)	0.24	-	-
Share Based Payment Expenses	46.87	637.63	-	684.50
Net Deferred Tax Assets	**107.51**	**552.77**	**(9.99)**	**650.29**

iv. Current Tax Assets (Net)

(Rs.in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Advance Payment of Income Tax (Net)	53.48	280.71
Total	**53.48**	**280.71**

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11. Other Assets

(Rs. in Lakhs)

Particulars	31st March, 2024	31st March, 2023
11 (i) Other Non-Current Asset		
Prepaid Expenses	0.36	0.87
Security Deposit – AS 109	73.99	-
Capital Advance	2,166.17	160.41
Total	**2,240.52**	**161.28**
11 (ii) Other Current Asset		
Prepaid Expenses	22.58	4.40
Security Deposit – AS 109	9.28	-
Advance to Employees	5.40	4.43
Advance to Suppliers	4,131.49	9,419.35
Other Advances	170.00	-
Total	**4,338.75**	**9,428.18**

12. Inventories

(Rs in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Raw Materials	3,669.80	1,714.70
Work-In-Progress	4,735.59	8,019.15
Bought Out Components & Stores and Spares	1,783.23	1,712.50
Scrap & By-Products	9.68	11.64
Total	**10,198.30**	**11,457.99**

Refer Note No. 2.11 for Valuation of Inventory

13. Trade Receivables

(Rs. in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Unsecured		
Considered Good *	15,185.45	2,909.45
Considered Doubtful	-	-
Sub-Total	**15,185.45**	**2,909.45**
Less: Provision for Expected Credit Loss **	4.38	-
Total	**15,181.07**	**2,909.45**

* Refer note no. 35 for receivables from related party

** Company have provided Expected Credit Loss provision of Rs.4.38 lakhs (Previous year Rs. Nil)

Trade Receivable Ageing Schedule

Outstanding for following periods from the date of transaction as on March 31, 2024:

(Rs. In Lakhs)

Particulars	Less than 6 months	6 months – 1 year	1 – 2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivable – Considered Good	15,136.97	44.10	-	-	-	15,181.07

(ii) Undisputed Trade Receivables – Which have significant Increase in Credit Risk.	-	-	-	-	-	-
(iii) Undisputed Trade Receivable – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivable – considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivables – Which have significant Increase in Credit Risk.	-	-	-	-	-	-
(vi) Disputed Trade Receivable – Credit Impaired	-	-	-	-	-	-
Total	**15,136.97**	**44.10**	**-**	**-**	**-**	**15,181.07**

Outstanding for following periods from the date of transaction as on March 31, 2023:

(Rs. In Lakhs)

Particulars	Less than 6 months	6 months – 1 year	1 – 2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivable – Considered Good	2,902.48	6.97	-	-	-	2,909.45
(ii) Undisputed Trade Receivables – Which have significant Increase in Credit Risk.	-	-	-	-	-	-
(iii) Undisputed Trade Receivable – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivable – considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivables – Which have significant Increase in Credit Risk.	-	-	-	-	-	-
(vi) Disputed Trade Receivable – Credit Impaired	-	-	-	-	-	-
Total	**2,902.48**	**6.97**	**-**	**-**	**-**	**2,909.45**

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14. Cash and Cash Equivalents

(Rs in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Balances with Banks		
In Current Accounts	99.23	47.07
Bank Deposits with original maturity of three months or less	25.12	18.91
Sub – Total (A)	**124.35**	**65.98**
Cash in Hand (B)	-	0.08
Other Bank Balance		
Margin Money Deposit *	3,469.78	732.60
Bank Deposits for Overdraft Facility	8,903.00	-
Sub – Total (C)	**12,372.78**	**732.60**
Total (A + B + C)	**12,497.13**	**798.66**

* Held against various Bank Guarantees

15. Other Balances with Bank

(Rs in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Earmarked Balances with Bank **	**24.56**	**8.76**
Total	**24.56**	**8.76**

** Earmarked Balance with banks pertains to Unclaimed Dividend

Last date to claim, unclaimed / unpaid dividends before transfer to IEPF, for the financial year 2021 – 22 and thereafter, are as under:

Financial Year	Declaration Date	Date to claim before transfer to IEPF
2021 – 2022	13th August, 2022	11th September, 2029
2022 – 2023	24th July, 2023	22nd August, 2030

16. Equity Share Capital

(Rs in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Authorised Share Capital		
120,00,00,000 Equity Shares of Re. 1/- each (P.Y. 120,00,00,000)	12,000.00	12,000.00
Issued, Subscribed and fully paid-up shares		
114,46,29,492 Equity shares of Re. 1/- each (Previous year 98,86,98,382 Equity Shares of Re 1/- each)	11,446.29	9,886.98
Total	**11,446.29**	**9,886.98**

i. During the year, the Board of Directors on May 10, 2023 approved the issuance and allotment of 7,50,00,000 (previous year 9,00,00,000 equity shares) equity shares of face value of Re. 1/- each ("Equity Shares") at a price of Rs.3.86 each to the warrant holders i.e. Lloyds Metals & Minerals Trading LLP and Aeon Trading LLP pursuant to conversion of 7,50,00,000 convertible warrants ("Convertible Warrants") into equity

shares of the Company in the ratio of 1:1 consequent to the exercise of the option to convert such Convertible Warrants into equity shares of the Company.

The Board of Directors at its meeting held on July 1, 2023 has considered and approved the allotment of 1,51,80,000 Equity Shares of Re. 1/- each at a premium of Rs. 12.65 each pursuant to conversion of 12% Optionally Fully Convertible Debentures ("OFCDs") consequent to exercise of the option to convert such OFCDs into Equity shares of the Company.

The Board of Directors at its meeting held on January 18, 2024 allotted 6,34,64,610 shares to the Equity Shareholders of the Company through Rights Issue at issue price of Rs. 15.50 per equity Share (including a premium of Rs. 14.50 per equity Share).

The Company has allotted 22,86,500 shares under 'Lloyds Steels Industries Limited Employee Stock Option Plan – 2021' to Lloyds Steels Employees Trust at a Price of Rs. 7.50 each. These stock options will be exercise by the employees within the time mentioned in LLOYDS STEELS ESOP – 2021."

In view of the above the Paid-up Equity Share Capital of the Company was increased from Rs. 98,86,98,382 /- (98,86,98,382 Equity share of face value of Re. 1 each) to Rs. 1,14,46,29,492/- (1,14,46,29,492 Equity shares of face value of Re. 1 each).

ii The Company has not issued any share as fully paid up without payment being received in cash or as bonus. Also company has not bought back any shares in last 5 years.

iii Reconciliation of Number of Shares

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of Shares	Rs. in Lakhs	Number of Shares	Rs. in Lakhs
Equity Shares				
Opening Balance	**98,86,98,382**	**9,886.98**	**89,86,98,382**	**8,986.98**
Issued during the year	15,59,31,110	1,559.31	9,00,00,000	900.00
Closing Balance	**114,46,29,492**	**11,446.29**	**98,86,98,382**	**9,886.98**

iv Terms and Rights attached to Equity Shares.

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

v Details of Shareholders Holding more than 5 % shares in the Company

Name of Shareholders	31st March, 2024		31st March, 2023	
	(Nos.)	(% holding)	(Nos.)	(% holding)
Lloyds Enterprises Limited (Formerly known as Shree Global Tradefin Limited)	48,04,12,901	41.97 %	47,98,37,185	48.53%
Lloyds Metals And Minerals Trading LLP	8,73,52,941	7.63 %	4,50,00,000	4.55%
Aeon Trading LLP	8,73,52,941	7.63 %	4,50,00,000	4.55%

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vi Details of Share held by Holding Company, its Subsidiaries and Associates in the Company.

Name of Shareholders	31st March, 2024		31st March, 2023	
	(Nos.)	(% holding)	(Nos.)	(% holding)
Lloyds Enterprises Limited (Formerly known as Shree Global Tradefin Limited)	48,04,12,901	41.97 %	47,98,37,185	48.53%

vii Terms of Securities Convertible into Equity Shares

Sr. No. V	Type of Securities issued	Number of Securities			Terms
		Opening	Converted	Closing	
1	Optionally Fully Convertible Debentures (OFCD)	1,51,80,000	1,51,80,000	-	Equivalent number of Equity Shares to be converted within 18 months from the date of issue of OFCD at the discretion of option holder
2	Convertible Warrants	7,50,00,000	7,50,00,000	-	Equivalent number of Equity Shares to be converted within 18 months from the date of issue of Convertible Warrants at the discretion of Warrant holder.

viii Disclosure of Shareholding of Promoters

Disclosure of Shareholding of Promoters as on 31st March, 2024 is as follows:

Sr. No.	Name of Promoter	Shares held by Promoters				% Change during the year
		At March 31, 2024		At March 31,2023		
		No. of Shares	% of total Shares	No. of Shares	% of total Shares	
1	Lloyds Enterprises Limited (Formerly known as Shree Global Tradefin Limited)	48,04,12,901	41.97 %	47,98,37,185	48.53%	(6.56%)
2	Aeon Trading LLP	8,73,52,941	7.63 %	4,50,00,000	4.55%	3.08 %
3	Lloyds Metals And Minerals Trading LLP	8,73,52,941	7.63 %	4,50,00,000	4.55%	3.08 %
4	Smt. Renu R Gupta	72,720	0.01 %	68,680	0.01 %	-
5	Shri. Rajesh R Gupta	87,224	0.01 %	61,438	0.01 %	-
6	Late Smt. Chitralekha R Gupta	Nil	Nil	22,172	0.00 %#	(0.00 %)#
7	Smt. Abha M Gupta	7,956	0.00 %#	7,514	0.00 %#	-
8	Shri. Mukesh R Gupta	7,512	0.00 %#	7,095	0.00 %#	-

* Please refer Note no. 16 (iii) for movement in Equity Shares during the year.

Represents Percentage less than 0.005%

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Disclosure of Shareholding of promoters as on 31st March, 2023 is as follows:

Sr. No.	Name of Promoter	Shares held by Promoters				% Change during the year
		At March 31, 2023		At March 31,2022		
		No. of Shares	% of total Shares	No. of Shares	% of total Shares	
1	Lloyds Enterprises Limited (Formerly known as Shree Global Tradefin Limited)	47,98,37,185	48.53%	47,98,37,185	53.39%	(4.86 %)*
2	Aeon Trading LLP	4,50,00,000	4.55%	Nil	Nil	4.55 %
3	Lloyds Metals and Minerals Trading LLP	4,50,00,000	4.55%	Nil	Nil	4.55 %
4	Smt. Renu R Gupta	68,680	0.01 %	68,680	0.01 %	-
5	Shri. Rajesh R Gupta	61,438	0.01 %	61,438	0.01 %	-
6	Late Smt. Chitralekha R Gupta	22,172	0.00 %#	22,172	0.00 %#	-
7	Smt. Abha M Gupta	7,514	0.00 %#	7,514	0.00 %#	-
8	Shri. Mukesh R Gupta	7,095	0.00 %#	7,095	0.00 %#	-

* The percentage change during the year is due to conversion of 9,00,00,000 convertible warrants into Equity Shares of the company on May 19, 2022.

\# Represents Percentage less than 0.005%

17. Other Equity

(Rs in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital Reserve		
Opening Balance	5.00	5.00
Transfer from / to Retained Earning	-	-
Closing Balance (i)	**5.00**	**5.00**
Retained Earnings		
Opening Balance	6,166.84	2,946.81
Profit for the year	7,983.83	3,682.31
Remeasurement of defined employee benefit plans	29.71	32.07
Transaction Cost for Right Issue	(174.80)	-
Transfer from SBP Reserve	1.81	-
Dividend Paid	(1,078.88)	(494.35)
Closing Balance (ii)	**12,928.51**	**6,166.84**
Money received against Convertible Warrants		
Opening Balance	**716.64**	**1,585.14**
Money received against Convertible Warrants	2,171.25	2,605.50
Expenses for Convertible Warrants transferred to P & L	7.11	-
Conversion of Convertible Warrants by Warrant Holder.	(2,895.00)	(3,474.00)
Closing Balance (iii)	-	**716.64**

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Share Based Payment Reserve		
Opening Balance	**186.97**	-
Share Based Payment Expenses	564.59	186.97
Transferred to Retained Earnings due to Exercise of Shares by Employees	(1.81)	
Closing Balance (iv)	**749.75**	**186.97**
Securities Premium		
Opening Balance	**2,574.00**	-
Premium on Conversion of Convertible Warrants by Warrant Holder	2,145.00	2,574.00
Premium on Conversion of Optionally Fully Convertible Debentures	1,920.27	
Premium against Right Issue	9,202.37	
Premium against issue for Shares Under ESOP	148.62	
Closing Balance (v)	**15,990.26**	**2,574.00**
Total Other Equity (i) + (ii) + (iii) + (iv) + (v)	**29,673.52**	**9,649.45**

18. Financial Liabilities

(Rs in Lakhs)

Particulars	31st March, 2024	31st March, 2023
18 (i) - Non-Current		
Borrowings		
Secured		
Term Loans against Vehicles	465.27	42.65
Total 18 (i)	**465.27**	**42.65**
18 (ii) Current		
Borrowings		
Other Loan		
Secured		
- Cash Credit	-	248.79
- Overdraft Against Term Deposit	5,499.47	-
- Current Maturity of Long-Term Borrowing	116.14	27.49
Unsecured		
- Current Maturity of Liability component of Compound Financial Instruments	-	2,071.10
- Inter Corporate Deposits	-	2,249.90
Total (ii)	**5,615.61**	**4,597.28**

18 (iii) Other Financial Liabilities

(Rs in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Unsecured		
- Interest Accrued but Not Due	4.15	39.64
- Employees Payable (Refer Note No. 35 for Related Party Outstanding	175.75	126.77
- Taxes Payable	1,544.90	81.17
- Unclaimed Dividend	24.56	8.76
Total 18 (iii)	**1,749.36**	**256.34**

Repayment of Term Loan

The loans are secured with exclusive charges over vehicles.

Terms of Repayment (Rs in Lakhs)

Particulars	Amount Outstanding as at 31st March, 2024	F.Y. 24-25	F.Y. 25-26	F.Y. 26-27	F.Y. 27-28 onwards
Term Loans against Vehicles	581.41	116.14	120.35	126.82	218.09

The rate of interest for vehicles loan varies from bank-to-bank ranges between from 8 % to 10 %.

18 (iv) – Lease Liabilities (Rs. In Lakhs)

Particulars	Non - Current		Current	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Lease Liabilities (Refer Note 5)	1,178.31	496.98	270.98	83.45
Total – Lease Liabilities	**1,178.31**	**496.98**	**270.98**	**83.45**

19. Provisions

(Rs in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Provision for Employees Benefits		
Gratuity	418.53	374.81
Compensated Absence	58.05	54.34
Provision for Others		
Expenses	315.81	251.88
Total	**792.39**	**681.03**
(i) Non - Current – Provisions	**407.21**	**359.14**
(ii) Current – Provisions	**385.18**	**321.89**

Refer Note 28 for movement of provision towards employee benefits.

20. Trade Payables

(Rs in Lakhs)

Particulars	31st March, 2024	31st March, 2023
(i) MSME	-	-
(ii) Others (Refer Note No. 35 for Related Party Payables	2,775.97	2,453.88
(iii) Disputed Dues – MSME	-	-
(iv) Disputed Dues – Others	24.30	24.30
Total	**2,800.27**	**2,478.18**

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

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Outstanding for following periods from the date of transaction as on 31st March, 2024:

(Rs in Lakhs)

Particulars	Less than 1 year	1 – 2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others (Refer Note No. 35 for Related Party Payables	2,680.52	58.13	13.95	23.37	2,775.97
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	24.30	24.30

Outstanding for following periods from the date of transaction as on 31st March,.2023:

(Rs in Lakhs)

Particulars	Less than 1 year	1 – 2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others (Refer Note No. 35 for Related Party Payables	2,418.33	15.92	16.45	3.18	2,453.88
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-		24.30	24.30

21. Other Current Liabilities

(Rs in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Current		
Advances from Customers (Refer Note No. 35 for Related Party Advances)	3,135.82	8,912.65
Total	**3,135.82**	**8,912.65**

22. Contingent Liabilities & Commitments

(Rs in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Contingent Liabilities		
A) Claims against the Company, not acknowledged as Debts *	3,272.02	3,093.77
B) Guarantees		
Guarantees issued by the Company's Bankers on behalf of the Company	3,242.34	1,550.33
C) Income Tax Liability for the Assessment Year 2015-16, 2016-17, 2018-19 & 2019-20 under section 153C, not acknowledged as debts.	1,146.28	1,146.28
Commitments		
D) Estimated amount of contracts remaining to be executed on capital account and not provided for	1,200.21	861.66

*The amount assess as contingent liability includes interest component calculated as at reporting period that could be claimed by counter parties.

23. Revenue From Operations

(Rs in Lakhs)

Particulars	For the year ended	
	31st March, 2024	31st March, 2023
Sale of Products		
Finished Goods (Refer Note No. 35 for Related Party)	58,583.40	29,894.74
Sale of Traded Goods	3,387.87	1,077.40
Other Operating Revenue		
Sale of Scrap & By Products	228.54	211.41
Job Work Charges	223.80	77.43
Total	**62,423.61**	**31,260.98**

24. Other Income

(Rs in Lakhs)

Particulars	For the Year Ended	
	31st March, 2024	31st March, 2023
Interest Income		
On Bank Deposits	265.19	60.19
From Others	331.54	508.10
On Security Deposit (As per Ind AS 109)	5.28	4.39
Other Non – Operating Income		
Miscellaneous Income	98.89	6.04
Gain on Sale of Fixed Assets	40.53	-
Gain on Termination – Lease Ind As 116	2.44	-
Liabilities no longer required, Written Back (net)	0.13	0.91
Total	**744.00**	**579.63**

25. Cost of Raw Materials Consumed

(Rs in Lakhs)

Particulars	For the Year Ended	
	31st March, 2024	31st March, 2023
Cost of Raw Materials Consumed		
Iron & Steel, etc.	23,713.79	16,895.18
Bought Out Components & Spares	9,932.87	5,010.05
Total	**33,646.66**	**21,905.23**

26. Purchase of Traded Goods

(Rs in Lakhs)

Particulars	For the Year Ended	
	31st March, 2024	31st March, 2023
- Iron & Steel	3,332.79	1,060.24
Total	**3,332.79**	**1,060.24**

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27. Changes in Inventories of Finished Goods, Work-In-Progress & Stock in Trade

(Rs. in Lakhs)

Particulars	For the Year Ended	
	31st March, 2024	31st March, 2023
Inventories at the end of the year		
Work-In-Progress	4,735.59	8,019.15
Scrap	9.68	11.64
Total	**4,745.27**	**8,030.79**
Inventories at the beginning of the year		
Work-In-Progress	8,019.15	3,854.66
Scrap	11.64	25.45
Total	**8,030.79**	**3,880.11**
Total (Increase) / Decrease in Inventories	**3,285.52**	**(4,150.68)**

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

(Rs. in Lakhs)

Particulars	For the Year Ended	
	31st March, 2024	31st March, 2023
Salaries, Wages and Bonus	2,012.82	1,431.16
Contribution to Provident and Other Fund	110.62	74.96
Gratuity & Leave Encashment Expenses	125.65	90.51
Staff Welfare /Workmen Expenses	78.48	23.08
Share Based Payment to Employees (Refer Note No. 33)	564.58	186.97
Managerial Remuneration	112.59	99.78
Total	**3,004.74**	**1,906.46**

Defined Benefit Plan

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

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

Compensated Absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the Balance Sheet Date.

Defined Contribution Plan

Contributions to Defined Contribution Plans are recognised as expense when employees have rendered services entitling them to such benefits.

The Group provides benefits such as Provident Fund Plans to its employees which are treated as Defined Contribution Plans.

The details of Defined Benefit Obligations are as follows:

(Rs in Lakhs)

Particulars	31st March, 2024		31st March, 2023	
	Gratuity	Compensated Absence	Gratuity	Compensated Absence
Obligation:				
Balance as at beginning of the year	374.81	54.34	382.20	68.54
Current Service Cost	45.24	40.13	37.68	10.36
Interest Cost	27.84	3.89	28.28	5.07
Benefits Paid	(26.04)	(3.93)	(50.06)	(10.06)
Re-measurements	(3.32)	(36.38)	(23.29)	(19.57)
Present value of Defined Benefit Obligation	**418.53**	**58.05**	**374.81**	**54.34**
Current Portion	61.59	7.78	61.69	8.32
Non-Current Portion	356.94	50.27	313.12	46.02

(Rs in Lakhs)

Sr. No.	Particulars	Gratuity		Compensated Absence	
		31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
1	Current Service Cost	45.24	37.68	40.13	10.36
2	Interest Cost	27.84	28.28	3.89	5.07
	Total	**73.08**	**65.96**	**44.02**	**15.43**

Amount recognised in Other Comprehensive Income

(Rs in Lakhs)

Particulars	For the year ended	
	31st March, 2024	31st March, 2023
Re-measurements	(39.70)	(42.86)
Total	**(39.70)**	**(42.86)**

Due to its Defined Benefit Plans, the Company is exposed to the following significant risks:

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

Salary Risk - The present value of the Defined Benefit Plans Liability is calculated by reference to the future salaries of the plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

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Existing Assumptions

Particulars	31st March, 2024	31st March, 2023
Discount Rate	7.10 %	7.40 %
Salary Escalation Rate	8.00 %	8.00 %
Withdrawal Rate	1.00 %	1.00 %
Mortality Rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives (2012- 14)
Retirement Age	62 Years	58 - 62 Years

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

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

(Rs in Lakhs)

Particulars	Change in Assumption	31st March, 2024		31st March, 2023	
		Gratuity	Compensated Absence	Gratuity	Compensated Absence
Discount Rate	+1%	389.19	52.85	348.96	50.25
	-1%	452.53	64.33	404.43	59.08
Salary Growth Rate	+1%	451.89	64.21	403.97	59.00
	-1%	389.16	52.85	348.84	50.24
Withdrawal Rate	+1%	416.78	57.65	374.48	54.27
	-1%	420.52	58.53	375.16	54.40

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

The table below summarises the Maturity Profile and duration of the Gratuity Liability:

(Rs in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Within one year	61.59	61.69
More than one – upto three years	47.10	32.02
More than three – upto five years	65.15	42.29
Above five years	244.69	238.81
Weighted average duration (in years)	9.48 years	9.48 years

The table below summarises the Maturity Profile and duration of the Compensated Absence Liability:

(Rs.in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Within one year	7.78	8.32
More than one – upto three years	7.05	5.92
More than three – upto five years	7.28	5.94
Above five years	35.94	34.16
Weighted average duration (in years)	9.48 years	9.48 years

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29. Manufacturing and Other Expenses

(Rs in Lakhs)

Particulars	For the year ended	
	31st March, 2024	31st March, 2023
Power Charges	169.33	100.22
Fuel & Gases Charges	829.41	94.63
Freight and Forwarding Charges (net)	576.03	343.68
Other Expenses of Production	2,427.56	1,510.93
Engineering and Processing Charges	3,375.51	2,039.11
Rent	27.47	12.03
Rates and Taxes	73.29	36.18
Insurance	22.44	12.62
Repairs and Maintenance:		
- Plant and Machinery	6.46	4.03
- Buildings	5.14	2.29
- Others	138.13	66.84
Other Selling Expenses	14.67	13.12
Commission and Brokerage	5.69	6.97
Legal & Professional Charges	501.02	444.10
Directors' Sitting Fees	8.03	3.12
Payment to Auditor (Refer details below)	3.16	3.14
Loss on Sale of Fixed Assets (net)	-	57.77
Net Gain / Loss on Foreign Currency Transaction	25.34	18.26
Travelling & Conveyance Expenses	337.31	169.00
Expected Credit Loss (Refer Note No 13)	4.38	-
Miscellaneous Expenses (Rs. 36 lakhs (previous year Rs. 19.04 lakhs) pertaining to CSR. (Refer Note No. 42)	503.83	376.95
Total	**9,054.20**	**5,314.99**

Payments to Auditor

(Rs in Lakhs)

Particulars	For the year ended	
	31st March, 2024	31st March, 2023
As Auditor:		
Audit Fees	2.25	2.25
Tax Audit Fees	0.75	0.75
In other capacity:		
Certification Charges	0.16	0.14
Total	**3.16**	**3.14**

29 (i) Exceptional Items

(Rs in Lakhs)

Particulars	For the year ended	
	31st March, 2024	31st March, 2023
One time Settlement against Securities offer to Third Party	-	250.00
Total	-	**250.00**

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Rs.250 lakhs paid to IDBI Bank Limited as One Time Settlement for release of Company's Assets which were mortgaged for loan of Erstwhile Company M/s Uttam Value Steels Limited from which M/s. Lloyds Engineering Works Limited was Demerged w.e.f.1st April 2014.

30. Finance Costs

(Rs in Lakhs)

Particulars	For the year ended	
	31st March, 2024	31st March, 2023
Interest		
Interest on Vehicle Loan	49.83	15.39
Interest on Inter Corporate Deposits	18.40	30.29
Interest on Cash Credit & Overdraft	59.30	-
Interest on Optionally Fully convertible Debentures	62.96	252.49
Interest on Right to use (Ind AS 116)	111.27	47.87
Other Borrowing Costs		
Bank & Finance Processing Charges	115.18	48.12
Total	**416.94**	**394.16**

31. Depreciation and Amortization Expense

(Rs in Lakhs)

Particulars	For the year ended	
	31st March, 2024	31st March, 2023
Depreciation on Tangible Assets (Refer Note 4)	242.07	148.08
Depreciation on Right to Use – AS 116	162.49	90.18
Total	**404.56**	**238.26**

32. Earnings Per Share ('EPS')

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

Particulars			2023-2024	2022-2023
Weighted average number of Equity share for basic EPS	(A)	Nos	108,01,13,929	97,68,62,765
Potential Dilution in equity shares	(B)	Nos	79,80,343	7,24,06,977
Weighted average number of Equity shares for diluted EPS	(A+B=C)	Nos	108,80,94,272	104,92,69,742
Face value of equity share (Fully Paid)		Re.	1	1
Profit attributable to equity shareholders for				
Basic	(D)	Rs. in Lakhs	7,983.83	3,682.31
Diluted	(E)	Rs. in Lakhs	7,983.83	3,682.31
Earnings per equity share				
Basic	(D / A)	Rs	0.74	0.38
Diluted	(E / C)	Rs	0.73	0.35

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33. Share Based Payments Plans (ESOP)

The Company introduced **"LLOYDS ENGINEERING WORKS LIMITED ESOP – 2021"** which covers the eligible employees of the Company. The options granted under Plan shall vest based upon the performance of the Employee, subject to completion of minimum 1 (One) year from the date of Grant and as may be decided by the Committee subject to maximum period of 7 (Seven) years.

Details of "LLOYDS ENGINEERING WORKS LIMITED ESOP – 2021"

Grant No.	Date of Grant	Option granted in Shares	Weighted average fair value of options	Exercise Price in Rs.
I	27-Oct-2022	1,00,61,000	10.68	7.50
II	27-Apr-2023	32,52,200	17.08	9.50

The fair value of the options was estimated on the date of grant using the Black Scholes Model with the following assumptions for Grant I:

Grant Date	Vesting Date	Historical Volatility	Average life of the options (in Years)	Risk – free Interest rate	Dividend Yield
27-Oct-2022	27-Oct-2023	70.57 %	2.50 years	6.96 %	0.07%
27-Oct-2022	31-Mar-2024	81.55 %	2.93 Years	7.06 %	0.07%
27-Oct-2022	31-Mar-2025	86.62 %	3.93 Years	7.20 %	0.07%
27-Oct-2022	31-Mar-2026	81.19 %	4.93 Years	7.28 %	0.07%

The fair value of the options was estimated on the date of grant using the Black Scholes Model with the following assumptions for Grant II:

Grant Date	Vesting Date	Historical Volatility	Average life of the options (in Years)	Risk – free Interest rate	Dividend Yield
27-Apr-2023	31-Mar-2025	79.81 %	3.43 Years	6.85 %	0.30%
27-Apr-2023	31-Mar-2026	84.71 %	4.43 Years	6.90 %	0.30%
27-Apr-2023	31-Mar-2027	80.05 %	5.43 years	6.95 %	0.30%

The information covering stock options is as follows:

Particulars	ESOP 2021
Outstanding at the beginning of the year (A)	98,52,000
Exercisable at the beginning of the year (B)	-
Number of Options Granted (C)	32,52,200
Number of Options Vested (D)	22,86,500
Number of Options Forfeited / Lapsed (E)	8,05,000
Number of Options Exercised (F)	20,000
Outstanding at the end of the year (A + C – D - E)	**1,00,12,700**
Exercisable at the end of the year (B + D - F)	**22,66,500**

Since equity shares are listed hence for the purpose of calculating volatility, volatility of shares based on the expected life is considered

Total expenses arising from share-based payment transactions recognized in profit or loss as part of employee benefit expense were as follows:

(Rs. In Lakhs)

Particulars	2023 – 2024	2022 – 2023
Share Based Payment Expenses Compensation Cost	564.58	186.97
Total employee share based payment expenses	**564.58**	**186.97**

34. Segment Reporting as per IND AS – 108.

The Company has single business Segment namely Engineering Products and Services.

35. Related Party Disclosures

Disclosure on Related Party Transactions as required by Ind AS 24 – Related Party Disclosures is given below:

a. Holding Company

Holding Company	Lloyds Enterprises Limited (Formerly known as Shree Global Tradefin Limited)

b. Key Managerial Personnel & Board of Directors:

Sr. No.	Name	Designation
1	Shri Mukesh R. Gupta	Chairman & Whole Time Director
2	Shri Shreekrishna M. Gupta	Whole Time Director (w.e.f. 6th March, 2024)
3	Shri Kalpesh P Agrawal	Chief Financial Officer
4	Ms. Rahima Shaikh	Company Secretary (w.e.f. 11th August, 2023)
5	Ms. Meenakshi Pansari	Company Secretary (Resigned on 10th August, 2023)
5	Shri Rajashekhar M. Alegavi	Non-Executive Director
6	Shri Ashok S. Tandon	Non-Executive Director
7	Shri Satyendra N. Singh	Independent Director (Resigned on 18th April, 2023)
8	Smt. Bela Sundar Rajan	Independent Director
9	Shri Ashok Kumar Sharma	Independent Director
10	Shri Kishorkumar M. Pradhan	Independent Director
11	Shri Lakshman Ananthsubramanian	Independent Director
12	Shri Devidas Kambale	Additional Director (In the Non-Executive Independent Capacity) (w.e.f. 6th March 2024)

c. Close family members of Key Managerial Personnel who are under the employment of the Company

Shri Shreekrishna Mukesh Gupta - From 1st April 2023 to 5th March 2024 (subsequently appointed as Whole Time Director with effect from 6th March, 2024).

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d. **Entities where Directors / Close Family Members of Directors have Control / Significant Influence:**

1. M/s. Lloyds Metals & Energy Limited.
2. M/s. Hemdil Estates Private Limited.
3. M/s. Lloyds Luxuries Limited.
4. M/s. Trofi Chain Factory Private Limited.
5. M/s. Lloyds Infrastructure & Construction Limited.
6. M/s. Lloyds Infinite Foundation.
7. M/s. ICASA Trading Company Private Limited.
8. M/s. Aeon Trading LLP
9. M/s. Lloyds Metals And Minerals Trading LLP
10. M/s. Amvak Private Limited

Terms and Conditions of Transactions with Related Parties

1. The Company has been entering into transactions with Related Parties for its business purposes. Related Party Vendors are selected competitively in line with other unrelated parties having regard to strict adherence to quality, timely servicing and cost advantage. Further related party vendors provide additional advantages in terms of:

   (a) Supplying products primarily to the Company,

   (b) Advanced and innovative technology.

   (c) Customisation of products to suit the Company's specific requirements, and

   (d) Enhancement of the Company's purchase cycle and assurance of just in time supply with resultant benefits-notably on working capital.

2. The purchases from and sales to related parties are made on terms equivalent to and those applicable to all unrelated parties on arm's length transactions. Outstanding balances payable and receivable at the year-end are unsecured, interest free and will be settled in cash.

Compensation of Key Management Personnel of the Company

(Rs. In Lakhs)

Particulars	Year 2023 - 24	Year 2022 – 23
Short-term employee benefits	156.21	133.39
Post-employment benefits	39.09	19.75
Total Compensation paid to Key Management Personnel	**195.30**	**153.14**

Details of transactions with and balance outstanding of Key Managerial personnel (KMP) / Close Family Member of Key Managerial Personnel:

(Rs. In Lakhs)

Name of the related party	Nature of transaction	Financial Year 2023 - 24		Financial Year 2022 – 23	
		Transaction Value*	Outstanding Amount	Transaction Value*	Outstanding Amount
Lloyds Enterprises Limited (Formerly known as Shree Global Tradefin Limited)	Dividend	479.84	-	239.92	-
	Capital Expenditure	-	35.00		
Shri. Mukesh Gupta	Director Remuneration	100.00	(5.27)	100.00	(3.30)
Shri. Shreekrishna Gupta	Director Remuneration	12.82	(10.75)	-	-
	Remuneration	170.68	-	183.50	(13.25)
Shri. Kalpesh Prakash Agrawal	Remuneration	32.97	(1.14)	25.86	(1.15)
	Expenses Reimbursement	2.77	-	0.89	-
Ms. Meenakshi Ankit Pansari (resigned as Company Secretary on 10th August, 2023)	Remuneration	5.41	-	7.53	(0.51)
	Expenses Reimbursement	1.44	-	0.04	-
Ms Rahima Shaikh (appointed as Assistant Company Secretary till 10.08.2023. Company Secretary w.e.f. from 11.08.2023)	Remuneration	5.01	(0.61)	-	-
	Expenses Reimbursement	0.24	-	-	-
Shri. Rajashekhar M. Alegavi	Consultancy	42.80	(1.51)	16.80	(1.26)
	Sitting Fees	1.19	-	0.36	-
	Expenses Reimbursement	1.85	(0.23)	1.78	-
Shri. Ashok S. Tandon	Consultancy	-	-	17.50	-
	Sitting Fees	1.38	-	0.28	-
	Expenses Reimbursement	-	-	0.43	-
Shri Satyendra N. Singh	Sitting Fees	-	-	0.60	-
Smt. Bela Sunder Rajan	Sitting Fees	1.10	-	0.40	-
Shri. Ashok Kumar Sharma	Sitting Fees	1.11	-	0.44	-
Shri. Kishorkumar M. Pradhan	Sitting Fees	1.53	-	0.44	-
Shri. Lakshman Ananthsubramanian	Sitting Fees	1.62	-	0.60	-
Shri Devidas Kambale	Sitting Fees	0.10	-	-	-
Others	Dividend	0.17	-	0.08	-

Dividend paid to Entities controlled / significantly influenced by Directors / Close Family Members has been shown under others, which are less than 10 % of overall dividend paid to related parties.





Details of transactions with and balances outstanding of Entities Controlled / Significantly influenced by Directors / Close Family Members of Directors

(Rs. In Lakhs)

Name of the related party	Nature of transaction*	Financial Year 2023 - 24		Financial Year 2022 – 23	
		Transaction Value*	Outstanding / (advances) Amount	Transaction Value*	Outstanding / (Advances) Amount
M/s. Lloyds Metals & Energy Limited	Sale of Goods	44,079.10	7,266.44	24,426.15	(7,522.97)
	Sale of Fixed Assets	665.09	-	-	-
M/s. Hemdil Estates Private Limited	Rent	12.00	-	12.00	(0.93)
M/s. Aeon Trading LLP	Dividend	82.50	-	22.50	-
M/s. Lloyds Metals And Minerals Trading LLP	Dividend	82.50	-	22.50	-
M/s. Lloyds Luxuries Limited	Other Services Paid	-	-	0.07	-
M/s. Trofi Chain Factory P. Ltd	Other Services Paid	14.98	-	0.15	(0.15)
ICASA Trading Company Private Limited	Other Services Paid	235.00	-	-	-
Lloyds Infrastructure & Construction Limited	Investment in Equity Shares	490.00	-	-	-
	Advances Given	46.69	-	-	-
Lloyds Infinite Foundation	Sale of Goods	3,000.23	3,540.27	-	-

- Transaction Value does not include Goods & Service Tax (GST).

36. Financial and Capital Risk

1. Financial Risk

The business activities of the Company expose it to a variety of financial risks, namely Market Risks (i.e. Foreign Exchange Risk, Interest Rate Risk and Price Risk), Credit Risk and Liquidity Risk. The Company's Risk Management Strategies focus on the un-predictability of these elements and seek to minimise the potential adverse effects on its financial performance.

The Financial Risk Management for the Company is driven by the Company's Senior Management and internal/ external experts subject to necessary supervision.

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

i) Foreign Currency Risk

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

The Foreign Exchange Risk Management Policy of the Company requires it to manage the foreign exchange risk by transacting as far as possible in the functional currency.

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

Particulars	Foreign currency			
	USD	Euro	GBP	Chinese Yuan
Current Year				
Trade Payables – in Foreign Currency (full figures)	-	19,536.00	-	-
Trade Payables – (Rs in Lakhs)	-	17.62	-	-
Advance to Supplier – in Foreign Currency (full figures)	95,007.31	3,03,767.07	1,649.40	2,40,000.00
Advance to Supplier – (Rs in Lakhs)	79.21	274.05	1.74	27.68
Previous Year				
Trade Payables – in Foreign Currency (full figures)	15,690.40	34,904.25	-	-
Trade Payables – (Rs in Lakhs)	12.90	31.28	-	-
Advance to Supplier – in Foreign Currency (full figures)	21,242.00	1,659.46	628.00	-
Advance to Supplier – (Rs in Lakhs)	17.46	1.49	0.64	-

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

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Foreign Currency Sensitivity (Rs in Lakhs)

Particulars	Change in Currency Exchange Rate	Effect on (Profit)/Loss Before Tax	Effect on Equity (OCI)
For the year ended 31st March, 2024			
Euro	+5%	14.58	-
	-5%	(14.58)	-
GBP	+5%	0.09	-
	-5%	(0.09)	-
USD	+5%	3.96	-
	-5%	(3.96)	-
Chinese Yaun	+5%	1.38	-
	-5%	(1.38)	-
For the year ended March 31, 2023			
Euro	+5%	1.64	-
	-5%	(1.64)	-
GBP	+5%	0.03	
	-5%	(0.03)	
USD	+5%	1.52	-
	-5%	(1.52)	-

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

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

ii) Price Risk

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

iii) Credit Risk

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

Trade Receivables

The Trade receivables of the Company are typically non-interest bearing un-secured. As there is no independent credit rating of the customers available with the Company, the management reviews the credit-worthiness of its

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customers based on their financial position, past experience and other factors. The credit risk related to the trade receivables is managed / mitigated by concerned team based on the Company's established policy and procedures and by setting appropriate payment terms and credit period. The credit period provided by the Company to its customers depend upon the contractual terms with the customers.

The ageing analysis of Trade Receiva1bles as at the reporting date is as follows:

(Rs. in Lakhs)

Particulars	Less than six months	More than six months
Trade Receivables as at 31st March, 2024	15,136.97	44.10
Trade Receivables as at 31st March, 2023	2,902.48	6.97

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

iv) Liquidity Risk

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

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

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

(Rs. in Lakhs)

Particulars	As at 31st March, 2024			
	Less than one year	More than one year	Total	Carrying Value
Trade Payables	2,680.52	119.75	2,800.27	2,800.27
Other Financial Liabilities	1,749.36	-	1,749.36	1,749.36
Total	**4,429.88**	**119.75**	**4,549.63**	**4,549.63**

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(Rs in Lakhs)

Particulars	As at 31st March, 2023			
	Less than one year	More than one year	Total	Carrying Value
Trade Payables	2,418.33	59.85	2,478.18	2,478.18
Other Financial Liabilities	256.34	-	256.34	256.34
Total	**2,674.67**	**59.85**	**2,734.52**	**2,734.52**

v) Capital Risk

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

Fair Value of Financial Assets and Liabilities

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

(Rs in Lakhs)

Particulars	Carrying Value as of		Fair Value as of	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Financial Assets				
FVTPL				
Amortised cost				
Trade Receivables	15,181.07	2,909.45	15,181.07	2,909.45
Cash and Cash Equivalents	12,497.13	798.66	12,497.13	798.66
Other Balance with Banks	24.56	8.76	24.56	8.76
Loans	1,887.00	5,215.00	1,887.00	5,215.00
Other Financial Assets	647.34	769.29	647.34	769.29
Total	**30,237.10**	**9,701.16**	**30,237.10**	**9,701.16**
Financial Liabilities				
FVTPL				
Amortised Cost				
Trade Payables	2,800.27	2,478.18	2,800.27	2,478.18
Other Financial Liabilities	1,749.36	256.34	1,749.36	256.34
Total	**4,549.63**	**2,734.52**	**4,549.63**	**2,734.52**

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37. Dividend

(Rs. In lakhs)

Particulars	Financial Year 2023 - 24	Financial Year 2022 – 23
Dividend on equity shares paid during the year		
Final Dividend for the Financial Year 2022 – 23 Re. 0.10 (Previous Year Re. 0.05) per equity share of Re 1/- each.	**1,078.88**	**494.35**
Total	**1,078.88**	**494.35**

Proposed Dividend

The Board of Directors of the Company at its meeting held on May 2, 2024 have recommended payment of final dividend of Twenty paise per equity share of face value of Re. 1/- each for the financial year ended 31st March, 2024. The same amounts to Rs. 2,289.26 lakhs

The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.

38. Convertible Warrants Issue and Utilisation Statement

During the year under review, the Company raised the funds through –

The Board of Directors of the Company at its meeting held on 22nd November 2021 has made an allotment of 16,50,00,000 Convertible Warrants of Face Value of Re 1/- each at a premium of Rs. 2.86 to Promoter/ Promoter Group, on preferential allotment basis. Further the Board of Directors of the Company at its meeting held on 10th May, 2023 converted 7,50,00,000 (Previous year 9,00,00,000 convertible warrants of face value of Re.1/- each) Convertible Warrants of Face Value of Re 1/- each at a premium of Rs. 2.86 to Promoter/ Promoter Group, on preferential allotment basis. Company has received 75% of Rs. 2,171.25 lakhs the Issue price (25% amounting to Rs. 723.75 lakhs were received in Financial Year 2021-22).

The funds raised through the respective issues were utilized for the purpose for which it was raised and in accordance with the objectives of the said preferential issue stated in the explanatory statement to the notice of general meeting.

39. Right Issue and Utilisation Statement

The Board of Directors at its meeting held on 18th January 2024 allotted 6,34,64,610 shares to the Equity Shareholders of the Company through Rights Issue at issue price of Rs. 15.50 per equity Share (including a premium of Rs. 14.50 per equity Share). Company has received a sum of Rs.9,837.01 lakhs.

The funds raised through the respective issues were utilized for the purpose for which it was raised and in accordance with the objectives of the said Right issue stated in the Letter of Offer.

40. Additional Regulatory Information

Ratios

Ratio	Numerator	Denominator	Current Year	Previous Year	Variance %	Reason for 25% Variation
Current Ratio (times)	Total Current Assets	Total Current Liabilities	3.21	1.85	73.24%	Increase due increase in the turnover resulting in increase in debtors and cash & cash equivalent
Debt – Equity Ratio (times)	Debt consists of borrowing and lease liabilities	Shareholder's Fund	0.18	0.27	(31.47%)	Reduced due to increase in Equity Fund by issue of Equity Shares
Debt Service Coverage Ratio (times)	Earning for Debt service	Debt service cost	1.40	0.86	63.44%	Due to increase in FD – OD facility.
Return on Equity Ratio (%)	Profit for the year (PAT)	Average Shareholder's Fund	26.32%	22.27 %	18.18%	
Inventory turnover Ratio (times)	Revenue from Operations	Average Inventory	5.76	3.83	50.69%	Due to increase in the turnover
Trade Receivables turnover ratio (times)	Revenue from Operations	Average trade receivables	6.90	16.06	(57.04%)	Due to increase in the turnover
Trade Payables turnover ratio (times)	Total Cost	Average trade payables	13.52	15.63	(13.53%)	-
Net capital turnover ratio (times)	Revenue from Operations	Capital Employed	2.02	2.05	(1.56%)	-
Net Profit ratio (%)	Profit for the year	Revenue from Operations	12.79%	11.78%	8.58 %	-
Return on Capital employed (%)	Profit before tax and finance cost	Capital employed	22.12%	21.99 %	0.58%	-
Return on Investments	Earning from Investment	Total Investment	3.89 %	5.51 %	(29.38 %)	Increase in Fixed Deposits and Investment In Equity Shares

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41. Title deeds of Immovable Properties not held in name of the Company

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Rs. In Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter, director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, Plant & Equipment	Building-Flat at Rooprekha Co-op. Housing Society Limited	5.15	Lloyds Steel Industries Limited	NO	1st April, 2014	The Company has received the property due to demerger order passed by Bombay High Court

42. Corporate Social Responsibility (CSR) Expenditure:

(Rs. In Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Amount required to be spent by the company during the year	43.02	10.72
- Amount of the expenditure incurred	36.00	19.04
- Reason for shortfall	There is no shortfall. We have paid Rs. 8.32 lakhs excess in previous year. Rs. 1.30 lakhs is excess paid, which would be carried forward to next financial Year.	Not Applicable

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OTHER FINANCIAL INFORMATION

Sr No	Particulars	For the year ended March 31	
		2024	2023
A	Net worth (₹ in Lakhs)	41,119.81	19,536.43
B	Profit attributable to equity shareholders for Basic Earnings Per Equity Share (₹ in Lakhs)	7,983.83	3,682.31
C	Profit attributable to equity shareholders for Diluted Earnings Per Equity Share (₹ in Lakhs)	7,983.83	3,682.31
D	**Weighted average number of equity shares outstanding during the year**		
	For Basic Earnings Per Equity Share	1,08,01,13,929	97,68,62,765
	Potential Dilution in Equity Shares	79,80,343	7,24,06,977
	For Diluted Earnings Per Equity Share	1,08,80,94,272	1,04,92,69,742
E	**Earning Per Equity Share**		
	Basic Earnings Per Equity Share (₹) (B/D)	0.74	0.38
	Diluted Earnings Per Equity Share (₹) (C/D)	0.73*	0.35*
F	**Return on Net Worth (%) (B/A*100)**	19.42	18.85
G	Number of Equity Shares outstanding at the end of the Year	1,14,46,29,492	98,86,98,382
H	**Net asset value per equity share of ₹ 1 each (A/G)**	3.59	1.98
I	Face value of equity shares (₹)	1.00	1.00
J	Earnings Before Interest, Taxes, Depreciation & Amortization (EBITDA) (₹ in Lakhs)	10,728.51	5,506.25

**As required by IND AS 33, Diluted EPS does not include the effect of OFCDs as it has antidilutive effect on EPS.*

Sr No	Particulars	For the nine months period ended December 31, 2024 (Standalone)
A	Net worth as per Unaudited Interim Financial Information for the period (₹ in Lakhs)	62,401.23
B	Profit (as per Unaudited Interim Financial Information) attributable to equity shareholders for Basic Earnings Per Equity Share (₹ in Lakhs)	8,284.92
C	Profit (as per Unaudited Interim Financial Information) attributable to equity shareholders for Diluted Earnings Per Equity Share (₹ in Lakhs)	8,284.92
D	**Weighted average number of equity shares outstanding during the period**	
	For Basic Earnings Per Equity Share	114,96,23,090
	Potential Dilution in Equity Shares	95,58,009
	For Diluted Earnings Per Equity Share	115,91,81,099
E	**Earning Per Equity Share**	
	Basic Earnings Per Equity Share (₹) (B/D) (not annualised)	0.72
	Diluted Earnings Per Equity Share (₹) (C/D) (not annualised)	0.71

Sr No	Particulars	For the nine months period ended December 31, 2024 (Standalone)
F	**Return on Net Worth (%) (B/A*100)**	13.28
G	Number of Equity Shares outstanding at the end of the period	116,22,35,126
H	**Net asset value per equity share of ₹ 1 each (A/G)**	5.37
I	Face value of equity shares (₹)	Re 1/-
J	Earnings Before Interest, Taxes, Depreciation & Amortization (EBITDA) (₹ in Lakhs)	11,344.54

Note: As per the certificate dated March 25, 2025 issued by the Statutory Auditor.

Sr No	Particulars	For the nine months period ended December 31, 2024 (Consolidated)
A	Net worth as per Unaudited Interim Financial Information for the period (₹ in Lakhs)	64,254.00
B	Profit (as per Unaudited Interim Financial Information) attributable to equity shareholders for Basic Earnings Per Equity Share (₹ in Lakhs)	8,488.42
C	Profit (as per Unaudited Interim Financial Information) attributable to equity shareholders for Diluted Earnings Per Equity Share (₹ in Lakhs)	8,488.42
D	**Weighted average number of equity shares outstanding during the period**	
	For Basic Earnings Per Equity Share	114,96,23,090
	Potential Dilution in Equity Shares	95,58,009
	For Diluted Earnings Per Equity Share	115,91,81,099
E	**Earning Per Equity Share**	
	Basic Earnings Per Equity Share (₹) (B/D) (not annualised)	0.74
	Diluted Earnings Per Equity Share (₹) (C/D) (not annualised)	0.73
F	**Return on Net Worth (%) (B/A*100)**	13.21
G	Number of Equity Shares outstanding at the end of the period	116,22,35,126
H	**Net asset value per equity share of ₹ 1 each (A/G)**	5.53
I	Face value of equity shares (₹)	Re. 1/-
J	Earnings Before Interest, Taxes, Depreciation & Amortization (EBITDA) (₹ in Lakhs)	11,790.12

FINANCIAL INDEBTEDNESS

Following is a summary of our Company's outstanding borrowings as on December 31, 2024:

Sr No.	Nature of Borrowings	Amount (Rs. In lakhs)
1	Secured Borrowings	
	Fund Based	5,351.57
	Non Fund Based	3,080.67
2	Unsecured Borrowings	0.00
	Total	**8,432.24**

The details of loans are as under:

There are following is break up of secured borrowings:

(₹ in lakhs)

Particulars	Nature of Facility	Date	Sanctioned Amount	Outstanding Amount	Rate of Interest#	Primary Security
Citizencredit Co-operative Bank Ltd	Cash Credit	13.05.2022	1.00	-	9.00	100% in bank Balance
HDFC Bank Limited	Fixed Deposit - Overdraft	31.07.2023	1,330.00	1,330.00	7.60	Against Fixed Deposits
HDFC Bank Limited	Fixed Deposit - Overdraft	25.01.2024	7,127.85	3,200.11	7.60	Against Fixed Deposits
ICICI Bank Limited	Fixed Deposit - Overdraft	26.10.2023	202.35	201.07	7.00	Against Fixed Deposits
HDFC Bank Limited	Vehicle Loans	26.09.2019	20.60	0.43	8.90	Respective Vehicle
HDFC Bank Limited	Vehicle Loans	31-05-2022	17.15	9.38	7.60	Respective Vehicle
HDFC Bank Limited	Vehicle Loans	21.12.2022	26.57	17.31	8.75	Respective Vehicle
HDFC Bank Limited	Vehicle Loans	30.08.2023	198.00	152.07	8.55	Respective Vehicle
HDFC Bank Limited	Vehicle Loans	28.11.2023	19.34	15.84	8.76	Respective Vehicle
HDFC Bank Limited	Vehicle Loans	20.12.2023	70.00	58.25	8.45	Respective Vehicle
HDFC Bank Limited	Vehicle Loans	29.11.2023	255.00	212.21	8.45	Respective Vehicle
HDFC Bank Limited	Vehicle Loans	10.01.2024	24.99	21.54	8.75	Respective Vehicle
HDFC Bank Limited	Vehicle Loans	27.09.2024	132.00	125.76	8.75	Respective Vehicle
Mahindra Finance Limited	Vehicle Loan	16.09.2022	8.80	2.48	5.90	Respective Vehicle
Mahindra Finance Limited	Vehicle Loan	29.06.2023	8.90	5.12	6.50	Respective Vehicle
Total			**9,442.55**	**5,351.57**		

There are following is break up of Non-Fund Based Secured borrowings:

(₹ in lakhs)

Particulars	Nature of Facility	Date	Sanctioned Amount	Outstanding Amount	Rate of Interest	Primary Security
Citizencredit Co-operative Bank Limited	Non-Fund Based Limit	13.05.2022	1,267.00	825.46*	Various	100% backed by fixed deposits
State Bank of India			-	303.43	Various	100% backed by fixed deposits
ICICI Bank Limited			-	1,936.40	Various	100% backed by fixed deposits
Bank of Maharashtra			-	15.38	Various	100% backed by fixed deposits
Total			**1,267.00**	**3,080.67**		

* Citizencredit Co-operative Bank Limited has issued Bank guarantees against FD of Rs. 837.00 Lakhs at various dates

The rate of interest applicable on various FDs which has been kept as margin against bank guarantees

Note 1: State Bank of India has issued Bank guarantees against FD of Rs. 303.43 Lakhs at various dates

Note 2: ICICI Bank has issued Bank guarantees against FD of Rs. 2,755.72 Lakhs at various dates

Note 3: Bank of Maharashtra has issued Bank guarantees against FD of Rs. 15.75 Lakhs at various dates

As certified by Statutory auditor vide certificate dated March 25, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

BUSINESS OVERVEW

Brief History of Our Company

Our company was established by the name of Climan Properties Private Limited on September 19, 1994, and converted into a public company along with a new certificate of incorporation on April 17, 2000. Climan Properties Limited was converted into Encon Technologies Limited and subsequently, to Lloyds Encon Technologies (I) Limited vide fresh certificate of incorporations dated April 19, 2000, and May 31, 2011, respectively. The name of Lloyds Encon Technologies (I) Limited was changed to Lloyds Steels Industries Limited and a fresh certificate of incorporation was issued on May 04, 2013. The equity shares of Lloyds Steels Industries Limited were listed on the BSE Limited and National Stock Exchange of India Limited pursuant to a scheme of arrangement between Uttam Value Steels Limited and Lloyds Steels Industries Limited. Our Company's CIN No. is L28900MH1994PLC081235.

For listing of shares of Lloyds Steels Industries Limited application for relaxation of strict enforcement of Rule 19(2)(b) of Securities Contracts (Regulations) Rules, 1957 ("Rules") was made under Rule 19(7) of the Rules read with SEBI Circular no. CIR/CFD/DIL/5/2013 dated February 4, 2013, and SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013. The name of our company was changed from Lloyds Steels Industries Limited to Lloyds Engineering Works Limited, vide a fresh Certificate of Incorporation dated July 25, 2023 issued by the Registrar of Companies, Mumbai and relevant disclosures under Regulation 30 were made within the stipulated time of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with relevant filings under the Companies Act, 2013.

Furthermore, in May 2021, there was a significant change in the management of the Company due to a takeover in accordance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. As a consequence, Lloyds Enterprises Limited (Formerly known as Shree Global Tradefin Limited) (promoter of Lloyds Metals and Energy Limited) emerged as the new promoters of the Company, taking over the management and control from promoter entities of UVSL belonging to Miglani family of Uttam group.

Following table lists the details of changes in the name of our Company since inception:

From	To	Reason	Compliance with Companies Act, 1956/2013,	Compliance with SEBI ICDR	Compliance with SEBI LODR	Date of Incorporation/ Name Change
Climan Properties Private Limited	-	Not Applicable	Complied	N/A	N/A	September 19, 1994
Climan Properties Private Limited	Climan Properties Limited	Company became a public limited company.	Complied	N/A	N/A	April 17, 2000
Climan Properties Limited	Encon Technologies Limited	To carry on the business of manufacturing steel, fabricators of equipment and machineries	Complied	N/A	N/A	April 19, 2000
Encon Technologies Limited	Lloyds Encon Technologies (I) Limited	To provide new identity to the Company in the market and the new name	Complied	N/A	N/A	May 31, 2011

From	To	Reason	Compliance with Companies Act, 1956/2013,	Compliance with SEBI ICDR	Compliance with SEBI LODR	Date of Incorporation/ Name Change
		reflects nationwide activities of the Company.				
Lloyds Encon Technologies (I) Limited	Lloyds Steels Industries Limited	As a result of, alteration of Main Object Clause of the Company, name of the Company was changed to reflect the proposed new business activities.	Complied	N/A	N/A	May 04, 2013
Pursuant to a scheme of arrangement ("**Scheme**") between Uttam Value Steels Limited ("**UVSL**") and Lloyds Steels Industries Limited, the engineering division of UVSL was demerged from UVSL into Lloyds Steels Industries Limited (approved by the Hon'ble High Court of Judicature at Bombay vide its order dated October 30, 2015 and speaking to minutes of the order dated November 30, 2015). Lloyds Steels Industries Limited was listed in pursuance to the relevant regulations including, SEBI circular no. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with SEBI circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013,in relation to an application under Rule 19(7) of the Securities Contract Regulation Rules, 1957 to relax the strict enforcement of Rule 19(2)(b) of the said Securities Contracts (Regulations) Rules, 1957 on BSE Limited and National Stock Exchange of India Limited on July 18, 2016.						
Lloyds Steels Industries Limited	Lloyds Engineering Works Limited	Change in the name of the Company to be in sync with the activities already being carried out by the Company	Complied	N/A	Complied	July 25, 2023

Our Company and Material Subsidiary

Our Company is a process plant equipment manufacturing company. Our Company, *inter alia*, provides engineering and infrastructure solutions, encompassing designing, engineering, manufacturing, fabrication and installation of heavy equipment, as well as machinery and systems for customers of hydrocarbon (oil & gas) sector, steel processing industries, captive power plants used in steel plants, marine sector, ports, heat exchangers used by nuclear power plants as well as other projects. We also offer services in civil construction related projects.

The Board of Directors of our Company, in the Board Meeting held on July 30, 2024, subject to approval of our shareholders, approved the acquisition of shares of Techno Industries Private Limited ("**Techno**") in three (3) tranches (Consisting of Swap of Shares and Cash) and accordingly entered into a share purchase and shareholders agreement dated July 30, 2024, with the shareholders of Techno. On August 29, 2024, our shareholders approved the swap of equity shares for the first tranche of this acquisition. The consideration for the first tranche was to be settled by way of issuance of equity shares of our Company, valuing ₹ 15,000.00 Lakhs (i. e. 82,50,000 equity shares of Techno, equating to 66% of Techno's outstanding equity shares), on swap basis, as per preferential issue guidelines, to the shareholders of Techno, and accordingly, 1,76,05,634 equity shares of our Company were allotted on October 15, 2024 to Bharat J Patel *(erstwhile promoter of Techno)*, and also by way of payment of cash of ₹ 2,500.00 Lakhs to Bharat J Patel, which has been paid on October 21, 2024, in exchange of 13,75,000 equity shares, equating to 11% of the total outstanding equity shares of Techno. As per SEBI Listing Regulations, since Techno has contributed to more than 10% of our income (revenue) as well as net worth for Fiscal 2024, it is our Material Subsidiary.

Techno is engaged in the business of manufacturing and marketing of elevators and escalators, motors and pumps and pursuant to its acquisition, our Company has forayed in the business of manufacturing and marketing of pumps, motors, elevators and escalators.

Investment in Lloyds Infrastructure & Construction Limited (Associates Company)

On January 23, 2025, the Board of Directors of our company approved additional investment / acquisition of 4,90,00,000 equity of ₹1 each at a price of ₹2.90 per equity share, aggregating to ₹1,421 Lakhs in Lloyds Infrastructure & Construction Limited ("**LICL**"). Pursuant to this acquisition, our company's holding in LICL is 24.50% of its equity share capital. The details of shareholding is as under:

Pre-Acquisition of shares		Post-Acquisition of shares	
Number of Shares held in Lloyds Infrastructure and Construction Limited	Percentage (%)	Number of Shares held in Lloyds Infrastructure and Construction Limited	Percentage (%)
4,90,00,000 Equity Shares of Re. 1 each.	12.25	9,80,00,000 Equity Shares of Re. 1 each.	24.50%

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITIONS

Our results of operations and financial condition are subject to various risks and uncertainties, including those discussed in "***Risk Factors***" beginning on page 25 of this Letter of Offer. Certain important factors, *inter-alia*, that have affected and which may continue to affect our results of operations and financial condition include the following

Retaining our existing Customers and augmenting our customer base

Our Company is a process plant equipment manufacturing company and *inter alia* provides engineering and infrastructure solutions, encompassing designing, engineering, manufacturing, fabrication and installation of heavy equipment, as well as machinery and systems for customers of hydrocarbon (oil & gas) sector, steel processing industries, captive power plants used in steel plants, marine sector, ports, heat exchangers used by nuclear power plants as well as other projects. We also offer services in civil construction related projects.
Our ability to grow our business requires us to (i) retain our customers; (ii) deepen our relationship with our existing Customers; and (iii) expand our customer base. We constantly endeavour to engage with Customers to understand their requirements better to be able to provide more holistic solutions and to identify new business opportunities as and when they arise.

Currently, we are dependent on the revenue generated from our top 10 clients in each financial year.

We depend on a limited number of customers i.e., 38, 52 and 36 for nine months period ended December 31, 2024, Fiscal 2024, and 2023 respectively, which exposes us to high risk of customer concentration. For instance, during the nine months period ended December 31, Fiscal 2024 and 2023, our top 10 (ten) customers contributed ₹ 54,633.21 Lakhs (94.64 %), ₹ 60,038.13 Lakhs (96.17%) and ₹ 30,130.00 Lakhs (96.38%), respectively of which, revenues from Lloyds Metals & Energy Limited (related party) constituted ₹ 37,892.47 Lakhs (65.64%), ₹ 44,079.10 Lakhs (70.41%) and ₹ 24,426.15 Lakhs (78.14%) to our Revenue from Operations for nine months period ended December 31, 2024, Fiscal 2024 and Fiscal 2023, respectively.

Our continued success and growth will depend on our continuing to receive the patronage of our existing Customers while simultaneously broadening and augmenting our customer base

Changes in overall Capex cycle or delays in the award of projects:

Our business is substantially dependent on projects undertaken by our customers which are primarily in the mid-market segment. In the event of any adverse change in their expansion plan or a downturn in available work resulting from any change in policies or priorities, our business prospects, and as a result our revenues or cash flows, may be adversely affected resulting in our ability to participate in competitive bidding.

Finance costs and fluctuations in interest rates

Our projects, by their nature, are typically capital intensive and may require debt financing by our customers and thereby could increase the overall cost of the contracts. We expect that rising levels of interest rates and fluctuations thereto, could have a material impact on the cost of the contracts and accordingly their plans to undertake the capital expenditure by our customers and accordingly could impact our ability to win contracts and revenues.

Price of Raw Materials and Bought-out Components

Prices of Raw Materials, primarily iron and steel and Bought-out Components, constitute the most significant portion of our total cost. For nine (9) months period ended December 31, 2024, Fiscal 2024 and Fiscal 2023 our cost of raw materials consumed constituted 50.95 %, 53.27 % and 72.13%, respectively of our total revenue. Prices for these raw materials can be volatile and depend on commodity prices in the markets, which, in turn, depend on changes in global economic conditions, industry cycles, supply-and-demand dynamics, attempts by individual producers to capture market share, and market speculation, among other factors. Our contracts do not have any provision of escalation and accordingly, we are unable to pass fluctuations in raw material prices on to our customers and hence our margins may be positively or negatively affected by fluctuations in raw material prices.

Seasonality and weather conditions

Our business activities and projects may be materially and adversely affected by severe weather conditions, which may force us to evacuate personnel or curtail services, replace damaged equipment and facilities or suspend our execution activities during unfavourable weather conditions. Heavy or sustained rainfalls or other extreme weather conditions such as cyclones could result in delays or disruptions to our execution activities during the critical periods of our projects. Monsoon season could limit our ability to carry on construction activities or to fully utilize our resources. Our business activities may also be adversely affected by other natural disasters, including earthquakes and floods, which may cause interruptions of our operations and damages to our properties and working environment which may not be adequately covered by the insurance policies availed by us. During periods of curtailed activity due to severe weather conditions or natural disasters, we may continue to incur operating expenses but our revenues from operations may be delayed or reduced.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Financial Information and Unaudited Interim Financial Information. For details of our significant accounting policies, please refer section titled "***Financial Information***" on page 216.

CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 2 YEARS

There has been no change in accounting policies in last 2 years.

RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

For details, see section titled "***Financial Information***" on page 216.

Principal components of our statement of profit and loss account Revenue

The following descriptions set forth information with respect to the key components of the Standalone Financial Information and Unaudited Interim Financial Information.

Total income

Our revenue comprises of:

Revenue from operations

Our revenue from operations consists of sale of products and other operating revenue. Sale of Products primarily consists of Sale of Finished goods. Other operating revenue consists of sale of scraps and job work charges.

Other Income

Other income primarily comprises of Interest Income earned on Bank Deposits, Interest earned on Inter Corporate Deposits, Security Deposits etc. and other non-operating income.

Expenses

Our expenses primarily comprise of cost of raw materials, changes in inventories of finished goods & work in progress, employee benefit expenses, manufacturing and other expenses, finance costs, depreciation and amortization expenses.

Cost of Raw Material Consumed

Cost of Raw Material consumed comprises of Iron & Steel and Bought-out Components.

Changes in Inventories of Finished Goods, Work in progress and Stock-in-Trade

Changes in inventories of finished goods, work in progress and Stock-in-Trade comprises of difference in closing balance vis-a-vis opening balance of finished goods, work in progress and Stock-in-Trade.

Employee Benefits Expenses

Employee benefit expense comprises of salaries, wages, gratuity and leave encashment, bonus, contribution to provident and other fund, Staff welfare, Share based payments to Employees & Managerial Remuneration.

Manufacturing & Other Expenses

Manufacturing and other expenses primarily comprises of freight and forwarding charges, Engineering and Processing Charges, other expenses of productions and Legal & Professional Charges etc.

Finance cost

Finance cost comprises interest expense and other borrowing costs. Interest expense, generally, comprises interest on Vehicle Loan, Interest on Inter Corporate Deposits, Interest on Optionally Fully Convertible Debentures & Interest on Right to use. The other Borrowing costs consists of Bank & Finance Processing Charges.

Depreciation and Amortization Expenses

Depreciation and amortization expenses comprise of depreciation on Tangible Assets & right-of-use asset.

Tax Expenses

Tax Expenses comprise of Current Tax and Deferred Tax Expenses.

Result of Our Operations

The following table sets forth, for the period indicated certain items from our Financial Information, in each case also stated as a percentage of our total income.

(₹ in Lakhs, unless stated otherwise)

Particulars	For the year ended March 31			
	2024	% of Total Income	2023	% of Total Income
INCOME				
Revenue From Operations	62,423.61	98.82	31,260.98	98.18
Other Income	744.00	1.18	579.63	1.82
Total Income(A)	**63,167.61**	**100.00**	**31,840.61**	**100.00**
EXPENDITURE				
Cost of Material Consumed	33,646.66	53.27	21,905.23	68.80
Purchase of Traded Goods	3,332.79	5.28	1,060.24	3.33
Changes in Inventories	3,285.52	5.20	(4,150.68)	(13.04)
Employees Benefit expenses	3,004.75	4.75	1,906.46	5.99
Finance Cost	416.94	0.66	394.16	1.24
Depreciation & Amortization Expenses	404.56	0.64	238.26	0.75
Manufacturing and Other Expenses	9,054.20	14.33	5,314.99	16.69
Total Expenses(B)	**53,145.42**	**84.13**	**26,668.66**	**83.76**
Profit Before Extra-ordinary items and tax C=A-B	**10,022.19**	**15.87**	**5,171.95**	**16.24**
Exceptional Item(D)	-	-	250.00	0.79
Profit Before TAX E=C-D	**10,022.19**	**15.87**	**4,921.95**	**15.46**
Tax Expenses-				
i)Current Tax	2,591.13	4.10	993.53	3.12
ii)Deferred Tax Expenses/(Income)	(552.77)	(0.88)	246.11	0.77
Total Tax Expenses	2,038.36	3.22	1,239.64	3.89
Profit for the Year	**7,983.83**	**12.65**	**3,682.31**	**11.56**
Other Comprehensive Income				
Items not to be reclassified to profit or loss				
Re-measurement (losses)/gains or defined benefit plans	39.70	0.03	42.86	0.13
Income Tax Credit/(expenses)	(9.99)	(0.01)	(10.79)	(0.03)
Other Comprehensive Income for the year	**29.71**	0.02	**32.07**	0.10
Total Comprehensive Income for the year	**8,013.54**	12.67	**3,714.38**	11.67

UNAUDITED INTERIM FINANCIAL INFORMATION FOR NINE (9) MONTHS PERIOD ENDED DECEMBER 31, 2024

Discussions hereunder for comparison of nine (9) months period ending December 31, 2024, with nine (9) months period ending December 31 2023

The following table sets forth, for the period indicated certain items from our Unaudited Interim Financial Information (Standalone) and also stated as a percentage of our total income.

(₹ in Lakhs, unless stated otherwise)

Particulars	For the nine months period ended December 31 (Standalone)			
	2024	% of Total Income	2023	% of Total Income
INCOME				
Revenue From Operations	57,728.59	97.11	43,633.35	98.98
Other Income	1,717.67	2.89	448.48	1.02
Total Income(A)	59,446.26	100.00	44,081.83	100.00

Particulars	For the nine months period ended December 31 (Standalone)			
	2024	% of Total Income	2023	% of Total Income
EXPENDITURE				
Cost of Material Consumed	29,410.65	49.48	26,292.09	59.64
Purchase of Traded Goods	5,110.97	8.60	2,089.99	4.74
Changes in Inventories	3,436.01	5.78	(1,272.96)	(2.89)
Employees Benefit expenses	2,802.28	4.71	2,221.00	5.04
Finance Cost	502.07	0.84	289.23	0.66
Depreciation & Amortization Exp.	630,.19	1.06	251.75	0.57
Other Expenses	7,341.81	12.35	6,880.80	15.61
Total Expenses(B)	**49,233.98**	**82.82**	**36,751.90**	**83.37**
Profit Before Extra-ordinary items and tax C=A-B	**10,212.28**	**17.18**	**7,329.93**	**16.63**
Exceptional Item(D)	0	0	-	-
Profit Before TAX E=C-D	**10,212.28**	**17.18**	**7,329.93**	**16.63**
Tax Expenses-				
i)Current Tax	2,360.00	3.97	1,890.96	4.29
ii)Deferred Tax Expenses/Income	(432.64)	(0.73)	(431.51)	(0.98)
Total Tax Expenses	1,927.36	3.24	1,459.45	3.31
Profit for the Year	**8,284.92**	**13.94**	**5,870.48**	**13.32**
Other Comprehensive Income				
Items not to be reclassified to profit or loss				
Re-measurement (losses)/gains or defined benefit plans	(31.63)	(0.05)	41.18	0.09
Income Tax Credit/(expenses)	7.96	0.01	(10.37)	(0.02)
Other Comprehensive Income for the year	**(23.67)**	**(0.04)**	**30.81**	**0.07**
Total Comprehensive (loss)/gain for the year	**8,261.25**	**13.90**	**5,901.29**	**13.39**

For financial information for nine (9) months ended December 31, 2024, on a Standalone basis of our Company please see "***Financial Information***" on page 216 of this Letter of Offer.

COMPARISON OF NINE MONTHS PERIOD ENDING DECEMBER 31, 2024 WITH NINE MONTHS PERIOD ENDING DECEMBER 31, 2023 (STANDALONE)

Revenue From Operations

The revenue from operations for the nine months period ending December 31, 2024, increased by 32.30 % to ₹57,728.59 Lakhs as compared to ₹43,633.35 Lakhs for the nine months period ending December 31, 2023. This increase was primarily due to increase in Order Book and execution of high value projects during the nine months period ending December 31, 2024.

Other Income

The other income for the nine months period ending December 31, 2024, increased by 283 % to ₹1,717.67 Lakhs as compared to ₹448.48 Lakhs for the nine months period ending December 31, 2023. The increase was primarily on account of increase in interest earned on Inter-Corporate Deposits, on fixed deposits with banks and marginal increase in miscellaneous income

Expenses

Cost of Raw Materials Consumed

Cost of Raw Materials Consumed for the nine months period ending December 31, 2024, increased by 11.86 % to ₹ 29,410.65 Lakhs as compared to ₹ 26,292.09 Lakhs for the nine months period ending December 31, 2023. The increase is in line with the increase in work-in-progress and increase in Bought-out components which constituted 39.88 % (nine months period ending December 31, 2024) as against 26.16 % (nine months period ending December 31, 2023) of Cost of Raw Materials Consumed..

Purchase of Traded Goods

Purchase of Traded Goods for the nine months period ending December 31, 2024, increased by 144.55 % to ₹ 5,110.97 Lakhs as compared to ₹ 2,089.99 Lakhs for the nine months period ending December 31, 2023 which is primarily due to execution of orders in timely manner.

Changes in inventories of finished goods, Work in Progress and stock in trade

Changes in inventories of Finished Goods, Work in Progress and Stock in Trade for the nine months period ending December 31, 2024 was ₹ 3,436.01 Lakhs as compared to ₹ (1,272.96) Lakhs for the nine months period ending December 31, 2023 which is primarily due to increase in order book and successful execution of orders.

Employee Benefit Expense

Employee Benefit expenses for the nine months period ending December 31, 2024, increased by 26.17% to ₹ 2,802.28 Lakhs as compared to ₹ 2,221.00 Lakhs for the nine months period ending December 31, 2023. The increase was primarily due to increase in employee cost consequent to increase in head counts at managerial and support level, increments and incentives given to employees as part of performance incentives.

Finance Cost

Finance cost for the nine months period ending December 31, 2024, increased by 73.59 % to ₹ 502.07 Lakhs as compared to ₹ 289.23 Lakhs for nine months period ending December 31, 2023. The increase was primarily due to payment of interest on utilisation of Fixed Deposit – Overdraft facility, interest on vehicle loan, interest on Rights to Use, bank and processing charges.

Depreciation & Amortization

The Depreciation and amortization expense for nine months period ending December 31, 2024, increased by 150.32 % to ₹ 630.19 Lakhs as compared to ₹ 251.75 Lakhs for the nine months period ending December 31, 2023. The increase was due to depreciation on major fixed assets capitalized in the Quarter 4 of Financial Year 2024 and effect of IND AS 116 – Lease Accounting.

Manufacturing and Other Expenses

Other Expenses (including manufacturing expenses) for the nine months period ending December 31, 2024, increased by 6.70 % to ₹ 7,341.81 Lakhs as compared to ₹ 6,880.80 Lakhs for the nine months period ending December 31, 2023. The increase was due to increase in our execution of projects which is in line with the increase in revenue from operations.

Profit before Tax

Due to reasons stated above, the Profit before Tax for the nine months period ending December 31, 2024 increased by 39.32% to ₹ 10,212.28 Lakhs as compared to ₹7,329.93 Lakhs for the Nine months period ending December 31, 2023.

Profit After Tax (PAT).

Our Profit After Tax for nine months period ending December 31, 2024, increased by 39.99 % to ₹8,261.25 Lakhs as compared to ₹ 5,901.29 Lakhs for nine months period ending December 31, 2023, on account of increase in revenue from operations and margins.

UNAUDITED INTERIM FINANCIAL INFORMATION (CONSOLIDATED) FOR THREE (3) MONTHS AND NINE (9) MONTHS PERIOD ENDED DECEMBER 31, 2024.

Discussions hereunder for three (3) months and nine (9) months period ending December 31, 2024.
The following table sets forth, for the period indicated certain items from our Unaudited Interim Financial Information (Consolidated) and also stated as a percentage of our total income.

(₹ in Lakhs, unless stated otherwise)

Particulars	**CONSOLIDATED FINANCIAL RESULTS**			
	For Quarter ended December 31, 2024	**% of Total Income**	**For nine months period ended December 31, 2024**	**% of Total Income**
INCOME				
Revenue From Operations	26,620.78	96.45	61,377.78	97.24
Other Income	979.74	3.55	1,739.25	2.76
Total Income(A)	27,600.52	100.00	63,117.03	100.00
EXPENDITURE				
Cost of Material Consumed	15,151.60	54.90	31,781.99	50.35
Purchase of Traded Goods	1,721.57	6.23	,110.97	8.10
Changes in Inventories	825.82	2.99	3,443.16	5.46
Employees Benefit expenses	1,536.50	5.57	3,307.21	12.17
Finance Cost	253.80	0.92	554.75	0.88
Depreciation & Amortization Exp.	254.70	0.92	665.34	1.05
Other Expenses	3,033.29	10.99	7,683.58	12.17
Total Expenses(B)	22,777.28	82.52	52,547.00	83.25
Profit Before Extra-ordinary items and tax C=A-B	4,823.24	17.48	10,570.03	16.75
Exceptional Item(D)	-	-	-	-
Profit Before TAX E=C-D	4,823.24	17.48	10,570.03	16.75
Tax Expenses-				
i)Current Tax	1,109.75	4.02	2,360.00	3.74
ii)Deferred Tax Expenses/Income	80.98	0.29	(339.18)	(0.54)
Total Tax Expenses	1190.73	4.31	2,020.82	3.20
Profit for the Year	3,632.51	13.17	8,549.21	13.55
Other Comprehensive Income				
Items not to be reclassified to profit or loss				
Re-measurement (losses)/gains or defined benefit plans	(12.24)	(0.05)	(31.63)	0.05
Income Tax Credit/(expenses)	3.08	0.01	7.96	(0.01)
Other Comprehensive Income for the year	(9.16)	(0.04)	23.67	0.04
Total Comprehensive (loss)/gain for the year	3,623.35	13.13	8,525.54	13.51

Note: Consolidated Financial results have been provided for without comparison with previous year figures as financial result for the previous year were on standalone basis.

Revenue from Operations

The Consolidated Revenue from Operations for the three months and nine months ended December 31, 2024 was ₹ 26,620.78 Lakhs and ₹ 61,377.78 Lakhs respectively.

Other Income

The Consolidated Other Income for the three months and nine months ended December 31, 2024 was ₹ 979.74 Lakhs and ₹ 1,739.25 Lakhs respectively.

Expenses

Cost of Raw Material Consumed

The Consolidated Cost of Raw Material Consumed for the three months and nine months ended December 31, 2024 was ₹ 15,151.60 Lakhs and ₹ 31,781.99 Lakhs respectively.

Purchase of Traded Goods

The Consolidated Purchase of Traded Goods for the three months and nine months ended December 31, 2024 was ₹ 1,721.57 Lakhs and ₹ 5,110.97 Lakhs respectively.

Changes in inventories of Finished Goods, Work in Progress and Stock-in-Trade

The consolidated Changes in Inventories of Finished Goods, Work in Progress and Stock-in-Trade for the three months and nine months ended December 31, 2024 was ₹ 825.82 Lakhs and ₹ 3,443.16 Lakhs respectively.

Employee Benefit Expense

The Consolidated Employee Benefit Expenses for the three months and nine months ended December 31, 2024 was ₹ 1,536.50 Lakhs and ₹ 3,307.21 Lakhs respectively.

Finance Cost

The Consolidated Finance Cost Expenses for the three months and nine months ended December 31, 2024 was ₹ 253.80 Lakhs and ₹ 554.75 Lakhs respectively.

Depreciation & Amortization

The Consolidated Depreciation & Amortization for the three months and nine months ended December 31, 2024 was ₹ 254.70 Lakhs and ₹ 665.34 Lakhs respectively.

Manufacturing & Other Expenses

The Consolidated Manufacturing & Other Expenses for the three months and nine months ended December 31, 2024 was ₹ 3,033.29 Lakhs and ₹ 7,683.58 Lakhs respectively.

Profit before Tax

The Consolidated Profit Before Tax for the three months and nine months ended December 31, 2024 was ₹ 4,823.24 Lakhs and ₹ 10,570.03 Lakhs respectively.

Profit after Tax (PAT)

The Consolidated Profit After Tax for the three months and nine months ended December 31, 2024 was ₹ 3,632.51

Lakhs and ₹ 8,549.21 Lakhs respectively

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2024, WITH FINANCIAL YEAR ENDED MARCH 31, 2023

Revenue from Operations

The revenue from operations for the FY 2023-24 was ₹ 62,423.61 Lakhs as compared to ₹ 31,260.98 Lakhs during the FY 2022-23 showing an increase of 99.69%. The Increase was due to increase in order book and successful execution of major projects of the same.

Other Income

The other income for the FY 2023-24 was ₹ 744.00 as compared to ₹579.63 Lakhs for the FY 2022-23 showing an increase of 28.36 %. The increase was due to increase in the interest income earned from the customers and profit on sale of fixed assets.

Expenses

Cost of Raw Material Consumed

Cost of Raw Material Consumed for the FY 2023-24 was ₹ 33,646.66 Lakhs as compared to ₹ 21,905.23 Lakhs during the FY 2022-23 showing an increase of 53.60 %. The increase was due to doubling of revenue from operations and reduction in price of major raw materials.

Purchase of Traded Goods

Purchase of Traded Goods consumed for the FY 2023-24 was ₹ 3,332.79 Lakhs as compared to ₹1,060.24 Lakhs during the FY 2022-23 showing an increase of 214.34 %. The increase was primarily due to execution of orders in a timely manner.

Changes in inventories of Finished Goods, Work in Progress and Stock-in-Trade

Changes in inventories of Finished Goods, Work in Progress and Stock-in-Trade for the FY 2023-24 was ₹ 3,285.52 Lakhs as compared to (₹ 4,150.68) Lakhs during the FY 2022-23, showing an increase of ₹ 7,436.20 Lakhs. The increase was due to successful execution of projects.

Employee Benefit Expense

Employee Benefit expenses for the FY 2023-24 was ₹ 3,004.75 Lakhs as compared to ₹ 1,906.46 Lakhs for FY 2022-23 showing an increase of 57.61%. The increase was due to increase in head counts at managerial and support level, increments, incentives and ESOP given to employees as part of performance.

Finance Cost

Finance cost for the FY 2023-24 was ₹ 416.94 Lakhs as compared to ₹394.16 Lakhs in FY 2022 - 23 showing increase of 5.78%. The increase was primarily due to payment of interest on utilisation of FD-OD facility and bank charges on opening of Bank Guarantees.

Depreciation & Amortization

The Depreciation and amortization expense for FY 2023-24 was ₹404.56 Lakhs as compared to ₹238.26 Lakhs for FY 2022-23 showing an increase of 69.80%. The increase was due to capitalization of Capital Work in Progress, capital expenditure incurred during the period and effect of IND AS 116 – Lease Accounting.

Manufacturing & Other Expenses

Manufacturing and Other Expenses for the FY 2023-24 was ₹9,054.20 Lakhs as compared to ₹5,314.99 Lakhs for FY 2022-23 showing an increase of 70.35%. The increase was due to corresponding increase in revenue from operations.

Profit before Tax

The Profit before Tax was ₹10,022.19 Lakhs in FY 2023-24 as compared to ₹4,921.95 Lakhs in FY 2022-23 showing an increase of 103.62%. The increase was due to increase in revenue and margins.

Exceptional Items

The Exceptional Items for the FY 2023-24 is Nil as compared to ₹250.00 Lakhs in FY 2022-23. During the F.Y 2022-23, ₹250.00 Lakhs was paid to IDBI Bank Limited as One Time Settlement for release of Company's Assets which were mortgaged for loan of Erstwhile Company M/s Uttam Value Steels Limited from which M/s. Lloyds Steels Industries Limited was Demerged w.e.f.1st April 2014.

Profit after Tax (PAT)

Profit After Tax was ₹7,983.83 Lakhs in the FY 2023-24 as compared to ₹3,682.31 Lakhs in FY 2022-23 showing increase of 116.82%. The increase was due to increase in revenue and margins.

CASH FLOW

(₹ in Lakhs)

Particular	For nine months period ended December 31, 2024	For the year ended March 31,	
		2024	2023
Net cash generated/(used in) operating activities **(A)**	20,133.24	(4,498.28)	(310.15)
Net cash generated from/(used in) investing activities **(B)**	(16,517.23)	(9,674.95)	(5,365.38)
Net cash generated from/ (used in) financing activities (**C**)	(3,529.91)	14,231.51	4,564.61
Net change in cash and cash equivalent **(A+B+C)**	86.10	58.28	(1,110.92)
Cash and cash equivalent at the beginning of the year / period	124.35	66.07	1,176.99
Cash and cash equivalents at the end of the year / period	210.45	124.35	66.07

Net Cash Flow from Operating Activities

Nine months period ended December 2024:

Net Profit before tax and extraordinary items stood at ₹10,212.28 Lakhs. Primary adjustments were on account of Interest income of ₹ (1,663.85) Lakhs, depreciation and amortization of ₹ 630.19 Lakhs, Compensation cost of ₹ 442.02 Lakhs and Interest Expenses of ₹ 485.65 Lakhs, Profit on sale of Property, Plant & Equipments of ₹ (0.89), Unrealized Foreign Exchange (Gain) of ₹ (2.95) Lakhs, Remeasurements of Defined Benefit Assets of ₹ (31.63), Gain of Termination of Lease Rent of ₹ (2.89) Lakhs.

Resultantly, the operating cash flows before working capital changes was ₹ 10,067.93 Lakhs.

The changes in working capital were due to:
a) Decrease in Inventories of ₹ 4,708.39 Lakhs;
b) Decrease in Trade Receivables of ₹ 1,351.22 Lakhs;

c) Increase in other Current Assets of ₹ (260.40) Lakhs;
d) Decrease in other Non - Current Assets of ₹ 2,167.03 Lakhs;
e) Increase in other Financial Assets, Non-Current portion of ₹ (485.35) Lakhs;
f) Increase in other Financial Assets, Current portion of ₹ (119.17 Lakhs);
g) Increase in Other Bank Balances of ₹ (442.13) Lakhs;
h) Increase in Trade Payables of ₹ 6,485.60 Lakhs;
i) Decrease in Other Current Liabilities of ₹ (181.16) Lakhs;
j) Increase in Current portion of Provisions of ₹ 591.16 Lakhs;
k) Increase in non-current portion of Provisions of ₹ 70.43 Lakhs;
l) Decrease in Other Financial Liabilities, Current portion of ₹ (317.38) Lakhs;
m) Decrease in Other Financial Liabilities, Non-Current portion of ₹ (324.01) Lakhs

During this period, payment of direct taxes (net of refunds) was of ₹ (3,178.92) Lakhs. Consequent to the above, Net Cash Flow generated from operating activities was ₹ 20,133.24 Lakhs.

Financial Year 2023-24

Net Profit before tax and extraordinary items stood at ₹10,022.19 Lakhs. Primary adjustments were on account of Interest income of ₹ (600.10) Lakhs, Depreciation and amortization of ₹ 404.56 Lakhs, Compensation cost on ESOPs of ₹ 564.58 Lakhs and Finance Cost of ₹ 283.36 Lakhs, Gain on sale of Property, Plant & Equipments of ₹ (40.53), Unrealized Foreign Exchange (Gain) of ₹ (7.42) Lakhs, Remeasurements of Defined Benefit Assets of ₹ 39.70 Lakhs, Gain on Termination of Lease Rent ₹ (2.44) Lakhs and Convertible Warrants transferred to Profit and Loss Account ₹ 7.11 Lakhs.

Resultantly, the operating cash flows before working capital changes was ₹ 10,671.01 Lakhs.

The changes in working capital were due to:
a) Decrease in Inventories of ₹ 1,259.69 Lakhs;
b) Increase in Trade Receivables of ₹ (12,271.61) Lakhs;
c) Decrease in Other Current Assets of ₹ 5,096.62 Lakhs;
d) Increase in other Non - Current Assets of ₹ (73.47) Lakhs;
e) Increase in Other Financial Assets, Non-Current portion of ₹ (46.66) Lakhs
f) Decrease in Other Financial Assets, Current portion of ₹ 128.57 Lakhs)
g) Increase in Other Bank Balances of ₹ (2,737.18) Lakhs
h) Increase in Trade Payables of ₹ 322.31 Lakhs
i) Decrease in Other Current Liabilities of ₹ (5,776.83) Lakhs
j) Increase in Provisions, Current portion of ₹ 63.30 Lakhs
k) Increase in Provisions, Non-Current portion of ₹ 48.07 Lakhs
l) Increase in Other Financial Liabilities, Current portion of ₹ 1,512.71 Lakhs
m) Decrease in Other Financial Liabilities, Non-Current portion of ₹ (330.90) Lakhs

During this period, payment of direct taxes (net of refunds) was of ₹ (2,363.91) Lakhs. Consequent to the above, Net Cash Flow used in operating activities was ₹ (4,498.28) Lakhs.

Financial Year 2022-23

Net Profit before tax and extraordinary items stood at ₹4,921.95 Lakhs. Primary adjustments were on account of Interest income of ₹ (558.58) Lakhs, Depreciation and amortization of ₹ 148.08 Lakhs, Compensation cost on ESOPs of ₹ 186.98 Lakhs and Finance Cost of ₹ 267.88 Lakhs, Loss on Sale of Property/ Plant and Equipment of ₹ 57.77 Lakhs, Remeasurements of Defined Benefit Liabilities of ₹ 42.86 Lakhs and Unrealized Foreign Exchange Loss of ₹ 8.53 Lakhs.

Resultantly, the operating cash flows before working capital changes was ₹5,075.46 Lakhs.

The changes in working capital were due to:
a) Increase in Inventories of ₹ (6,572.92) Lakhs;

b) Increase in Trade Receivables of ₹ (1,926.86) Lakhs;
c) Increase in Other Current Assets of ₹ (4,756.52) Lakhs;
d) Decrease in Other Financial Assets, Non-Current portion of ₹ 1.26 Lakhs
e) Increase in Other Financial Assets, Current portion of ₹ (267.56 Lakhs)
f) Decrease in Other Bank Balances of ₹ 549.82 Lakhs
g) Increase in Trade Payables of ₹ 1,594.02 Lakhs
h) Increase in Other Current Liabilities of ₹7,082.17 Lakhs
i) Increase in Provisions, Current portion of ₹ 235.97 Lakhs
j) Decrease in Provisions, Non-Current portion of ₹ (58.80) Lakhs
k) Decrease in Other Financial Liabilities, Current portion of ₹ (197.60) Lakhs
l) Increase in Other Financial Liabilities, Non-Current portion of ₹14.71 Lakhs

During this period, payment of direct taxes (net of refunds) was of ₹ (1,083.31) Lakhs. Consequent to the above, Net Cash Flow used in operating activities was ₹ (310.15) Lakhs.

Net Cash Flow from Investing Activities

Nine months period ended December 31, 2024:

Net cash used in investing activities was ₹ (16,517.23) Lakhs during this period, primarily on account of payment towards Capital Expenditure of ₹ (837.53) Lakhs, Proceeds from Sale of Property, Plant and Equipment of ₹ 15.30 Lakhs, Inter Corporate Deposits given of ₹ (13,842.13) Lakhs, Payment of Investment in Subsidiary of ₹ (2,500.00) Lakhs and proceeds from Interest Received of ₹ 647.13 Lakhs.

Financial Year 2023-2024:

Net cash used in investing activities was ₹ (9,674.95) Lakhs during this period, primarily on account of payment towards Capital Expenditure of ₹ (5,082.53) Lakhs, Proceeds from Sale of Property, Plant and Equipment of ₹ 879.09 Lakhs, Refund of Inter Corporate Deposits given earlier of ₹ 3,328.00 Lakhs, Investment in Shares of ₹ (1,000.00) Lakhs, Bank Deposits not considered as Cash and Cash Equivalent of ₹ (8,903.00) Lakhs, Proceeds from Sale of Investment of ₹ 510.00 Lakhs and Proceeds from Interest Received of ₹ 593.49 Lakhs.

Financial Year 2022-23

Net cash used in investing activities was ₹ (5,365.38) Lakhs in the FY 2022-23, primarily on account of payment towards Capital Expenditure of ₹ (3,522.42) Lakhs, Proceeds from Sale of Property, Plant and Equipment of ₹ 36.25 Lakhs, Advancement of Inter Corporate Deposits given of ₹ (2,340.00) Lakhs, Investment in Shares of ₹ (0.01) Lakhs and Proceeds from Interest Received of ₹ 460.80 Lakhs.

Cash Flows from Financing Activities

Nine months period ended December 31, 2024

Net cash used in Financing Activities was ₹ (3,529.91) Lakhs for the period, primarily on account of Repayment of Borrowings of ₹ (729.32) Lakhs, Dividend paid of ₹ (2,289.26) Lakhs, Transaction Cost for Right Issue Proceeds paid of ₹ (132.60) Lakhs and Interest paid of ₹ (378.73) Lakhs.

Financial Year 2023- 2024

Net cash generated from financing activities was ₹ 14,231.51 Lakhs for the period, primarily on account of Proceeds from Long Term Borrowings of ₹ 3,513.02 Lakhs, Dividend paid of ₹ (1,078.88) Lakhs, Proceeds from Issue of Convertible Warrants of ₹ 2,171.25 Lakhs, Proceeds from Right Issue of ₹ 9,837.01 Lakhs, Transaction Cost for Rights Issue of ₹ (174.80) Lakhs, Proceeds from Issue of Equity Shares under ESOPs of ₹ 171.49 Lakhs and Interest paid of ₹ (207.58) Lakhs.

Financial Year 2022-23

Net cash generated from financing activities was ₹4,564.61 Lakhs in the FY 2022-23, primarily on account of proceeds from Long Term Borrowings (Inter Corporate Deposits received) of ₹ 2,721.26 Lakhs, Dividend paid of ₹ (494.35) Lakhs, Proceeds from Issue of Convertible Warrants of ₹ 2,605.50 Lakhs and Interest paid of ₹ (267.80) Lakhs.

Total Borrowings

Details of our Borrowings for nine (9) months period ending December 31, 2024, and for the Financial Year 2023-24 are as follows:

For nine months period ended December 31, 2024

(₹ in Lakhs)

Particulars	Short Term	Long Term	Total
Vehicle Loan	141.41	478.97	620.38
Overdraft Against Term Deposit	4,731.19	-	4,731.19
Total	**4,872.60**	**478.97**	**5,351.57**

Our total borrowings decreased from ₹ 6,080.88 Lakhs as on March 31, 2024, to ₹ 5,351.57 Lakhs as on December 31, 2024, primarily due to reduction in amount Outstanding as on December 31, 2024 to ₹ 4,570.47 Lakhs which was backed up Fixed Deposit amounting to ₹ 8,903.00 Lakhs.

Financial Year 2023-24

(₹ in Lakhs)

Particulars	Short Term	Long Term	Total
Vehicle Loan	116.14	465.27	581.41
Overdraft Against Term Deposit	5,499.47	-	5,499.47
Total	**5,615.61**	**465.27**	**6,080.88**

Our total borrowings increased from ₹ 4,639.93 Lakhs as on March 31, 2023, to ₹ 6,080.88 Lakhs as on March 31, 2024, primarily due to Repayment of Cash Credit, which was ₹ 248.79 Lakhs, Optionally Fully Convertible Debentures (OFCDs) amounting to ₹2,071.10 Lakhs were converted into Equity Shares on July 01, 2023, Inter Corporate Deposits amounting to ₹2,249.90 Lakhs were repaid before the June 30, 2023. Further, new FD-OD Facility was availed from HDFC Bank and ICICI Bank. The amount outstanding against FD-OD Facility as on March 31, 2024, was ₹ 5,499.47 Lakhs, which was backed by Fixed Deposit amounting to ₹ 9,116.00 Lakhs.

Financial Year 2022 – 2023

(₹ in Lakhs)

Particulars	Short Term	Long Term	Total
Vehicle Loan	27.49	42.65	70.14
Cash Credit	248.79	-	248.79
Optionally Fully Convertible Debentures	2,071.10	-	2,071.10
Inter Corporate Deposit	2,249.90	-	2,249.90
Total	**4,597.28**	**42.65**	**4,639.93**

Our Total Borrowings increased from ₹1,918.66 Lakhs as on March 31, 2022, to ₹4,639.93 Lakhs as on March 31, 2023, primarily due to Inter Corporate Deposit and drawdown of Cash Credit Facility. Optionally Fully Convertible Debentures (OFCDs) amounting to ₹2,071.10 Lakhs were converted into Equity Shares on July 01, 2023, and Inter Corporate Deposits amounting to ₹2,249.90 Lakhs were repaid before the June 30, 2023.

For further details please refer to section "***Financial Information***" appearing on page 216.

Off-Balance Sheet Arrangements

We do not have any other off-balance sheet arrangements or other relationships with unconsolidated entities, such as special purpose vehicles, that have been established for the purposes of facilitating off-balance sheet arrangements.

Contingent Liabilities and Commitments

The table below set forth our Contingent Liabilities as on December 31, 2024

Particulars	Nine months period ended on December 31, 2024
Contingent Liabilities	
A. Claims against the Company, not acknowledged as Debts	3,405.95
Guarantees issued by the Company's Bankers on behalf of the Company*	3,080.67
B. Income Tax Liability for the Assessment Year 2015-16, 2016-17, 2018-19 & 2019-20 under section 153C, not acknowledged as debts.	1,061.40^
Commitments	
C. Estimated amount of contracts remaining to be executed on capital account and not provided for	160.66

**The amount assessed as Guarantees under contingent liability, pertain to (i) Earnest Money Deposit in the form of Bank Guarantees, (ii) Advance Bank Guarantees, (iii) Security deposit / Contract Performance Bank Guarantee, for performance of equipment which gets converted into Performance Bank Guarantee on completion of contract, and (iv) Performance Bank Guarantees. These bank guarantees issued on behalf of our Company have been secured by way of margin money in the form of Fixed Deposit of ₹ 3,911.91 Lakhs.*

^Includes outstanding direct and indirect tax for prior years but excluding accrued interest thereon

Note-1 –An arbitration award dated November 9, 2023, in the matter of Transparent Energy Systems Private Ltd. has been passed by the learned sole arbitrator granting upholding the claims of ₹ 23.97 Lakhs together with the interest @12% p.a. from August 12, 2008, till the date of realization and cost of arbitration proceedings of Rs 34.07 Lakhs which may have impact on the contingent liabilities of our Company

The table below set forth our Contingent Liabilities as on March 31, 2024:

Particulars	Fiscal 2024^
Contingent Liabilities	
A) Claims against the Company, not acknowledged as Debts	3,272.02
Guarantees issued by the Company's Bankers on behalf of the Company*	3,242.34
B) Income Tax Liability for the Assessment Year 2015-16, 2016-17, 2018-19 & 2019-20 under section 153C, not acknowledged as debts.	1,146.28
Commitments	
C) Estimated amount of contracts remaining to be executed on capital account and not provided for	1,200.21

**The amount assessed as Guarantees under contingent liability, pertain to (i) Earnest Money Deposit in the form of Bank Guarantees, (ii) Advance Bank Guarantees, (iii) Security deposit / Contract Performance Bank Guarantee, for performance of equipment which gets converted into Performance Bank Guarantee on completion of contract, and (iv) Performance Bank Guarantees. These bank guarantees issued on behalf of our Company have been secured by way of margin money in the form of Fixed Deposit of ₹ 3,469.78 Lakhs.*

^ Taken from Annual report 2023-24

Note-1 –An arbitration award dated November 9, 2023, in the matter of Transparent Energy Systems Private Ltd. has been passed by the learned sole arbitrator granting upholding the claims of ₹ 23.97 Lakhs together with the interest @12% p.a. from August 12, 2008, till the date of realization and cost of arbitration proceedings of Rs 34.07 Lakhs which may have impact on the contingent liabilities of our Company

Capital Expenditures

Our capital expenditures are mainly related to the purchase of fixed assets located in India. The primary source of financing for our capital expenditures has been cash generated from our operations and borrowings. Capital Expenditure for the nine (9) month period ended December 31, 2024, was ₹ 800.69 Lakhs (including Capital Work-in-Progress) and during the Financial Year 2024, our Capital Expenditure (including Capital Work-in-Progress) was ₹ 3,076.75 Lakhs.

Qualitative Disclosure about Market Risk

Our business exposes us to a variety of financial risks, including credit risk, liquidity risk and market risk.

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. Our Company's exposure to credit risk arises majorly from trade receivables/ unbilled revenue and other financial assets. Other financial assets are bank deposits with banks and hence, our Company does not expect any credit risk with respect to these financial assets.

Liquidity risk

Liquidity risk refers to insufficiency of funds to meet the financial obligations. Liquidity risk management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

Market risk

Market Risk is the risk that changes in marketplace could affect our future cash flows. The market risk for us arises primarily from product price risk, interest rate risk foreign exchange risk, credit risk and inflation risk.

Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as described in the section titled "***Risk Factors***" and chapter titled "***Management's Discussion and Analysis of Financial Conditions and Results of Operations***" beginning on pages 25 and 302, respectively, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

Unusual or Infrequent Events or Transactions

Except as described elsewhere in this Letter of Offer, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

Significant economic/regulatory changes

Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company's operations or are likely to affect income except as mentioned in the section titled "***Risk Factors***" on page 25.

Except as disclosed in this Letter of Offer, to our knowledge, there are no significant regulatory changes that materially affected or are likely to affect our income from continuing operations.

Expected future changes in relationship between costs and revenues, in case of events such as future increase in labor or material costs or prices that will cause a material change are known.

Other than as described in the section titled "***Risk Factors***" and chapter titled "***Management's Discussion and Analysis of Financial Conditions and Results of Operations***" beginning on pages 25 and 302, respectively, and elsewhere in this Letter of Offer, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company's future costs and

revenues will be determined by demand/supply situation and government policies.

The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices

Increase in revenues is by and large linked to increase in sale of units of our existing portfolio of products, introduction of new categories under existing brands and addition to new distribution channels.

Competitive Conditions

We expect competition in the sector from existing and potential competitors. However, on account of our core strengths, inter-alia, quality products, close-by location of workshops, timely supply, better sourcing of raw-material, due to which, we are able to stay competitive. For further details, kindly refer the chapter titled "***Risk Factors***", "***Industry overview***" and "***Our Business***", beginning on page 25, 106 and 174 respectively.

Total Turnover of Each Major Business Segment

We currently operate in single segment of Engineering Business.

New Product or Business Segment

Except as disclosed in "***Our Business – Our Key Products***" on page 181, we have not announced any new products or business segments.

Seasonality of Business

In the engineering industry in which we operate, sales volume generally dips in the second quarter, primarily during the rainy seasons impacting our execution, dispatch and logistics, and increases significantly in the fourth quarter primarily to meet the budgeted capital outlay of our clients. This may cause our revenues to vary significantly between different quarters in a Fiscal. Therefore, our results of operations and cash flows across quarters in a Fiscal may not be comparable sequentially and any such comparisons may not be meaningful, or may not be indicative of our annual financial results or our results in any future quarters or periods, see the section titled "***Risk Factors***" beginning on page 25.

Significant dependence on a Single or Few Suppliers or Customers

Other than as described in this Letter of Offer, particularly in sections "***Risk Factors***", "***Management's Discussion and Analysis of Financial Position and Results of Operations***" and "***Our Business – Competitors***" on page 25, 302 and 202 respectively to our knowledge, there is no significant dependence on a single or few customers or suppliers.

Related Party Transactions

For further details, please refer to "*Financial Information*" on page no 216 in this Letter of Offer

Significant Developments since last balance sheet date

Except as disclosed above and in this Letter of Offer, including under "***Our Business***" and "***Risk Factors***" on pages 174 and 25 respectively, to our knowledge no circumstances have arisen since March 31, 2024, the date of the Financial Information as disclosed in this Letter of Offer which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months except:

(a) Receipt of significant orders for Naval equipment on April 22, 2024;
(b) Share purchase agreement for acquisition of Techno Industries Private Limited ("**TIPL**") on July 30, 2024;
(c) Grant of 16,18,708 (Sixteen Lakhs Eighteen Thousand Seven Hundred and Eight) options Stock Options

to its Eligible Employees under the "'**Lloyds Steels Industries Limited Employee Stock Option Plan – 2021**" by the Nomination and Remuneration Committee ("**NRC**") of the Board of Directors of the Company on July 30, 2024;

(d) Alteration in Objects clause of Memorandum of Association of the Company by Ministry of Corporate Affairs on September 19, 2024;

(e) Receipt of orders for Steel eco-pickling and Marine Loading Arms on October 1, 2024; and

(f) Memorandum of understanding to acquire the engineering assets of Bhilai Engineering Corporation Limited ("**BECL**") on October 10, 2024;

(g) On November 27, 2024 our company partners with Fincantieri S.p.A for manufacture of high-quality products for the Indian Navy and Coast Guard and accordingly on December 09, 2024 our company entered into Cooperation Agreement with Fincantieri S.p.A for Tunnel and Azimuthal Thrusters manufacturing and supply;

(h) On January 23, 2025, the Board of Directors of our company approved additional investment / acquisition of 4,90,00,000 equity of ₹1 each at a price of ₹2.90 per equity share, aggregating to ₹1,421 Lakhs in Lloyds Infrastructure & Construction Limited ("LICL"). Following the Board approval, investment in LICL was made, consequent to which LICL became an Associate of our company. Pursuant to this acquisition, our company's holding in LICL is 24.50% of its equity share capital;

(i) Our company has entered into a Memorandum of Understanding with EMCO Limited for purchase of land for industrial use measuring 25.48 hectares (2,54,800 Sq. Mtrs) equivalent to ~63 acres situated within the limits of the Gram panchayat Chimnazari Tehsil ,Nagpur.

SECTION VI – PROFORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE COMPILATION OF PROFORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION INCLUDED IN THE DRAFT LETTER OF OFFER.

The Board of Directors,
Lloyds Engineering Works Ltd.,
(Formerly known as Lloyds Steels Industries Ltd.)

Dear Sirs,

Report on the compilation of Proforma Condensed Consolidated Financial Information included in the Draft Letter of Offer prepared by Lloyds Engineering Works Limited.

1. We have completed our assurance engagement to report on the compilation of the proforma condensed consolidated financial information of Lloyds Engineering Works Limited (the **"Company")** prepared by the management of the Company (The **"Management").** The proforma condensed consolidated financial information consists of the Proforma condensed consolidated statement of profit and loss (including other comprehensive income) for the year ended 31st March, 2024 and select explanatory notes (collectively **"Proforma Condensed Consolidated Financial Information"**), as set out in the Draft Letter of Offer prepared by the Company **(the "DLOF")** in connection with its proposed Rights Issue of its equity shares. The applicable criteria on the basis of which the Management has compiled the Proforma Condensed Consolidated Financial Information are specified in clause (11) (I) (B) (iii) of Part A of Schedule VI Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the **"ICDR Regulations")** issued by Securities and Exchange Board of India (the "SEBI) and described in note 2 of the Proforma Condensed Consolidated Financial Information. Because of its nature, the Proforma Condensed Consolidated Financial Information does not represent the Company's actual financial position and financial performance.

2. The Proforma Condensed Consolidated Financial Information has been compiled by the Management to illustrate the impact of the acquisition of Techno Industries Private Limited **("TIPL").** Set out in note 2 of the Proforma Condensed Consolidated Financial Information on the Company's financial position as at 31st March, 2024 and the Company's Financial Performance for the year ended 31st March, 2024 as if the acquisition had taken place as at and for the year ended 31st March, 2024. As part of this process, information about the Company's financial position, financial performance has been extracted by the Management from the Company's restated financial statements as at and for the year ended 31st March, 2024. We have relied on the restated Ind AS financial statements of TIPL provided by the management of the

company as at and for the year ended 31st March, 2024, prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended (the 'Act').

Management's Responsibility for the Proforma Condensed Consolidated Financial Information.

3. Management is responsible for compiling the Proforma Condensed Consolidated Financial Information on the basis as set out in note 2 to the Proforma Condensed Consolidated Financial Information which has been approved by the Board of Directors of the Company (the "Board") on 19th October, 2024**.** This responsibility includes the responsibility for designing, implementing and maintaining internal control relevant for compiling the Proforma Condensed Consolidated Financial Information on the basis as set out in note 2 to the Proforma Condensed Consolidated Financial Information that is free from material misstatement, whether due to fraud or error. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations for the compilation of Proforma Condensed Consolidated Financial Information.

Auditor's Responsibilities:

4. Our responsibility is to express an opinion, as required by ICDR Regulations, about whether the Proforma Condensed Consolidated Financial Information has been complied, in all material respects, by the Management on the basis as set out in note 2 to the Proforma Condensed Consolidated Financial Information.

5. We conducted our engagement in accordance with the Standard on Assurance Engagements **(SAE)** 3420, Assurance Engagements to Report on the Compilation of Proforma Financial Information included in a Prospectus, issued by the Institute of Chartered Accountants of India **("ICAI").** This Standard requires that the Auditor comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Management has compiled, in all material respects, the Proforma Condensed Consolidated Financial Information on the basis set out in note 2 thereto.

6. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Proforma Condensed Consolidated Financial Information, nor have we, in the course of this engagement, performed

an audit or review of the financial information used in compiling the Proforma Condensed Consolidated Financial Information.

7. Our work has not been carried out in accordance with the auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the ICDR Regulations in connection with the proposed Rights Issue of equity shares.

8. The purpose of the Proforma Condensed Consolidated Financial Information included in the DLOF in solely to illustrate the impact of the above-mentioned acquisition of TIPL on unadjusted restated financial information of the Company as if the acquisition of TIPL had occurred at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the above-mentioned acquisition as at and for the year ended 31st March, 2024 would have been as presented.

9. A reasonable assurance engagement is to report on whether the Proforma Condensed Consolidated Financial Information has been compiled, in all material respect, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Management in the compilation of the Proforma Condensed Consolidated Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the above mentioned acquisition, and to obtain sufficient appropriate evidence about whether:

- The related proforma adjustments give appropriate effect to those criteria; and
- The Proforma Condensed Consolidated Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

10. The procedures selected depend on the Auditor's Judgment, having regard to the Auditor's understanding of the nature of the Company, the event or transaction in respect of which the Proforma Condensed Consolidated Financial Information has been compiled, and other relevant engagement circumstances.

11. This report should not in any way be construed as re-issuance or re-dating of any of the previous audit reports issued by us on the financial statements of the Company or TIPL, as the case may be referred in paragraph 2 above. We have no responsibility to update our report for events and circumstances occurring after the date of this report.

12. The engagement also involves evaluating the overall presentation of the Proforma Condensed Consolidated Financial Information.

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

Other Matters:

14. We did not audit the financial information of Techno Industries Private Limited, whose financial information reflect total assets of Rs. 14,662.28 Lakhs as at 31st March, 2024, total revenues of Rs. 16,811.77 Lakhs for the year ended on that date, as considered in the proforma condensed consolidated financial information. This financial information has been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

15. Our opinion on the proforma condensed consolidated financial information, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

Opinion:

16. In our opinion, the Proforma Condensed Consolidated Financial Information has been compiled, in all material respects, on the basis set out in note 2 of the Proforma Condensed Consolidated Financial Information.

Restriction of use:

17. Our report is intended solely for use of the Board for inclusion in the DLOF to be filed with SEBI in connection with the proposed Rights Issue of equity shares. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. The Proforma Condensed Consolidated Financial Information is not a complete set of financial statements of the Company prepared in accordance with the Ind AS prescribed under Section 133 of the Act, as applicable and is not intended to give a true a fair view of the financial

position of the Company as at 31st March, 2024 and of its financial performance (including other comprehensive income) for the year ended 31st March, 2024 in accordance with the Ind AS prescribed under Section 133 of the Act, as appliable. As a result, this Proforma Condensed Consolidated Financial Information may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For S Y Lodha and Associates
Chartered Accountants
ICAI Reg. No. 136002W

Shashank Lodha
Partner M. No.: 153498
UDIN: 24153498BKDHXN6151
Dated: 21st October, 2024
Place: Mumbai

LLOYDS ENGINEERING WORKS LIMITED
(Formerly known as Lloyds Steels Industries Limited)
PROFORMA CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2024

(Rs. in Lakhs)

Particulars	Proforma adjustments Notes	LEWL	TIPL	Proforma Adjustments	Proforma Condensed
ASSETS					
Non-Current Assets					
(a) Property, Plant and Equipment		6,194.00	911.83		7,105.83
(b) Capital Work in Progress		1,064.66	-		1,064.66
(c) Goodwill	4 (A) (iii)	95.98	-	11,796.72	11,892.70
(d) Right To Use		1,458.90	-		1,458.90
(e) Other Intangible assets		-	714.90		714.90
(f) **Financial Assets**					
(i) Other Financial Assets		105.83	383.52		489.35
(ii) Loans			13.68		13.68
(g) Non-Current Investments		490.01	-		490.01
(h) Deferred Tax Assets (Net)		650.29	-		650.29
(i) Other Non-Current Assets		2,240.52	-		2,240.52
Sub Total Non-Current Assets		**12,300.19**	**2,023.93**	**11,796.72**	**26,120.84**
Current Assets					
(a) Inventories	4 (B) (ii)	10,198.30	4,131.09	70.46	14,399.85
(b) **Financial Assets**					
(i) Trade Receivables		15,181.07	7,249.28		22,430.35
(ii) Cash and Cash Equivalents	4 (A) (iii)	12,497.13	503.74	(2,500.00)	10,500.87
(iii) Other Balance with Banks		24.56	489.28		513.84
(iv) Loans		1,887.00	28.56		1,915.56
(v) Other Current Financial Assets	4 (B) (i)	647.34	-	17.17	664.51
(c) Current Tax Assets (Net)		53.48	-		53.48
(d) Other Current Assets	4 (B) (iii)	4,338.75	236.40	(152.12)	4,423.03
Sub Total Current Assets		**44,827.63**	**12,638.35**	**(2,564.49)**	**54,901.49**
TOTAL ASSETS		**57,127.82**	**14,662.28**	**9,232.23**	**81,022.33**
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	4 (A) (i)	11,446.29	1,250.00	(1,073.94)	11,622.35
(b) Other Equity	4 (A) (i)	29,673.52	6,156.86	8,642.17	44,472.55
(c) Minority Interest	4 (A) (iv)	-	-	1,703.58	1,703.58
Total Equity		**41,119.81**	**7,406.86**	**9,271.81**	**57,798.48**
LIABILITIES					
Non-Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings		465.27	27.15		492.42
(ia) Lease Liabilities		1,178.31			1,178.31
(b) Provisions		407.21	139.82		547.03
(c) Deferred tax liabilities (net)		-	28.42		28.42
(d) Other non-current liabilities		-	11.19		11.19
Sub Total Non-Current Liabilities		**2,050.79**	**206.58**	**-**	**2,257.37**
Current Liabilities					
(a) **Financial Liabilities**					
(i) Borrowings		5,615.61	2,235.15		7,850.76
(ia) Lease Liabilities		270.98	-		270.98
(ii) Trade Payable					
- Total Outstanding dues of Micro & Small Enterprises		-	-		-
- Total Outstanding dues of Other Than Micro & Small Enterprises		2,800.27	3,430.08		6,230.35
(iii) Other Financial Liabilities		1,749.36	34.46		1,783.82
(b) Provisions		385.18	322.18		707.36
(c) Other Current Liabilities	4 (B) (iii)	3,135.82	905.58	(39.58)	4,001.82
(d) Current Tax Liabilities (Net)			121.39		121.39
Sub Total Current Liabilities		**13,957.22**	**7,048.84**	**(39.58)**	**20,966.48**
Total Liabilities		**16,008.01**	**7,255.42**	**(39.58)**	**23,223.85**
TOTAL EQUITY AND LIABILITIES		**57,127.82**	**14,662.28**	**9,232.23**	**81,022.33**

The above financial statements should be read with the notes on basis of preparation and other explanatory notes to the proforma condensed consolidated financials information.

As per our report of even date

For S Y Lodha & Associates
Chartered Accountants
ICAI Firm Reg. No. 136002W

For and on behalf of the Board of Directors

Shashank Lodha
Partner
Membership No.: 153498
UDIN: 24153498BKDHXN6151
Place: Mumbai
Date: 21st October, 2024

Mukesh R. Gupta
Chairman
DIN: 00028347

Kalpesh P. Agrawal
Chief Financial Officer

Kishore M. Pradhan
Independent Director
DIN: 02749508

Rahima S. Shaikh
Company Secretary

LLOYDS ENGINEERING WORKS LIMITED
(Formerly known as Lloyds Steels Industries Limited)
PROFORMA CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2024

(Rs. in Lakhs)

Particulars	Proforma Adjustments Notes	LEWL	TIPL	Proforma Adjustments	Proforma Condensed
INCOME					
Revenue from Operations	4 (B) (i)	62,423.61	16,731.58	(168.51)	78,986.68
Other Income		744.00	80.19		824.19
Total Income		**63,167.61**	**16,811.77**	**(168.51)**	**79,810.87**
Expenses					
Cost of Raw Material Consumed	4 (B) (i)	33,646.66	11,373.76	(73.14)	44,947.28
Purchase of Traded Goods		3,332.79	-		3,332.79
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	4 (B) (i)	3,285.52	(223.07)	(95.37)	2,967.08
Employee Benefits Expense		3,004.75	2,218.48		5,223.23
Manufacturing and Other Expenses		9,054.20	1,838.36		10,892.56
Finance Costs		416.94	229.10		646.04
Depreciation and Amortization Expense		404.56	140.69		545.25
Total Expenses		**53,145.42**	**15,577.32**	**(168.51)**	**68,554.23**
Profit before Exceptional Items and Tax		**10,022.19**	**1,234.45**		**11,256.64**
Exceptional Items		-	10.05		10.05
Profit Before Tax		**10,022.19**	**1,224.40**		**11,246.59**
Tax Expense:					
(1) Current Tax		2,591.13	318.38		2,909.51
(2) Deferred Tax Expenses / (Income)		(552.77)	(12.31)		(565.08)
(3) Tax Expense of Earlier Years			(0.24)		(0.24)
Total Tax Expenses		**2,038.36**	**305.83**		**2,344.19**
Profit for the Period		**7,983.83**	**918.57**		**8,902.40**
Other Comprehensive Income					
Items not to be reclassified to profit or loss					
Re-measurement (losses)/gains on defined benefit plans		39.70	-		39.70
Income Tax relating to items not to be reclassified to Profit and Loss		(9.99)	-		(9.99)
Other Comprehensive Income for the year		**29.71**	**-**		**29.71**
Total Comprehensive (loss) / gain for the year		**8,013.54**	**918.57**		**8,932.11**
Profit for the Year attributable to:					
Shareholders of the company		**7,983.83**	**707.30**		**8,691.13**
Non-Controlling Interest		**-**	**211.27**		**211.27**
Profit for the year		**7,983.83**	**918.57**		**8,902.40**
Other Comprehensive expense for the year attributable to:					
Shareholders of the Company		**29.71**	**-**		**29.71**
Non-Controlling interest		**-**	**-**		**-**
Other comprehensive expense for the year, net of tax		**29.71**	**-**		**29.71**
Total Comprehensive income for the year attributable to:					
Shareholders of the company		**8,013.54**	**707.30**		**8,720.84**
Non-controlling interest		**-**	**211.27**		**211.27**
Total Comprehensive Income for the year		**8,013.54**	**918.57**		**8,932.11**
Earnings per share (In Rs.)					
EPS – Basic (in Rs.)					**0.82**
EPS – Diluted (in Rs.)					**0.82**

The above financial statements should be read with the notes on basis of preparation and other explanatory notes to the proforma condensed consolidated financials information.

As per our report of even date

For S Y Lodha & Associates
Chartered Accountants
ICAI Firm Reg. No. 136002W

For and on behalf of the Board of Directors

Shashank Lodha
Partner
Membership No.: 153498
UDIN: 24153498BKDHXN6151
Place: Mumbai
Date: 21st October, 2024

Mukesh R. Gupta
Chairman
DIN: 00028347

Kalpesh P. Agrawal
Chief Financial Officer

Kishore M. Pradhan
Independent Director
DIN: 02749508

Rahima S. Shaikh
Company Secretary

LLOYDS ENGINEERING WORKS LIMITED (Formerly known as Lloyds Steels Industries Limited)
Notes to the proforma condensed consolidated financial information for the year ended 31st March 2024

1.Background of transaction and of entities forming part of proforma condensed consolidated financial information

Our Company was incorporated as "Climan Properties Private Limited" on 19th September, 1994, as a Private Limited Company under the Companies Act, 1956, and was granted the Certificate of Incorporation by the Registrar of Companies, Mumbai. Subsequently, our Company was converted into a Public Limited Company and the name of our Company was changed to "Climan Properties Limited" on 17th April, 2000, vide a fresh certificate of incorporation issued by the Registrar of Companies, Mumbai. Thereafter, the name of our Company was changed from "Climan Properties Limited" to "Encon Technologies Limited" pursuant to a fresh Certificate of Incorporation dated 19th April, 2000. Subsequently, the name of our Company was changed to "Lloyds Encon Technologies (I) Limited" on 31st May, 2011, vide a fresh certificate of incorporation issued by the Registrar of Companies, Mumbai. The name of our Company was changed to " Lloyds Steels Industries Limited" on 04th May, 2013, vide a fresh Certificate of Incorporation issued by the Registrar of Companies, Mumbai. Pursuant to a scheme of arrangement ("Scheme") between Uttam Value Steels Limited ("UVSL") and Lloyds Steels Industries Limited, the engineering division of UVSL was demerged from UVSL into Lloyds Steels Industries Limited, by the Hon'ble High Court of Judicature at Bombay vide its order dated 30th October, 2015, and speaking to minutes of the order dated 30th November, 2015. Subsequent to the sanction of the Scheme, Lloyds Steels Industries Limited was listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on 18th July, 2016. The name of our Company was changed from "Lloyds Steels Industries Limited" to its present name "Lloyds Engineering Works Limited" vide a fresh Certificate of Incorporation dated 25th July, 2023, issued by the Registrar of Companies, Mumbai. Our Company is a process plant equipment manufacturing company. Our Company, inter alia, provides engineering and infrastructure solutions, encompassing designing, engineering, manufacturing, fabrication and installation of heavy equipment, as well as machinery and systems for customers of hydrocarbon (oil & gas) sector, steel processing industries, captive power plants used in steel plants, marine sector, ports, heat exchangers used by nuclear power plants as well as other projects. We also offer services in civil construction related projects.

Techno Industries Private Limited (TIPL) is a Private Limited company, incorporated under the provisions of the companies act 1956 on 01st May, 2000, engaged in the business of manufacturing of escalator, elevator and motors and pumps.

On 15th October, 2024, our Company acquired 77.00 % stake in TIPL by way of acquisition of equity shares of TIPL. The company has issued 1,76,05,634 Equity shares by way of preferential issue to Mr. Bharat Patel Promoter of TIPL for acquisition of 66.00% of Share Capital of TIPL and paid a sum of Rs 2,500.00 Lakhs to Mr. Bharat Patel for acquisition of 11.00 % stake of TIPL. Therefore, with effect from 15th October, 2024 TIPL became Material Subsidiary of the company.

The company along with TIPL is herein after collectively referred to as the group.

2.Basis of Preparation

The proforma condensed consolidated financial information has been prepared by the management of the Company in accordance with the requirements of paragraph 11 of item (I) (B) (iii) of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the "SEBI Regulations") issued by the Securities and Exchange Board of India (the "SEBI") to reflect the impact of a material acquisitions, as defined in SEBI Regulations, made after the date of the latest annual audited financial statements of the Company, viz., 31st March, 2024.

The proforma condensed consolidated financial information of the Company comprising the proforma condensed consolidated balance sheet as at 31st March, 2024, the proforma condensed consolidated statement of profit and loss for the year ended 31st March, 2024, read with the selected explanatory notes to the proforma condensed consolidated financial information (collectively "proforma condensed consolidated financial information"), has been prepared as per the requirements of SEBI Regulations to reflect acquisition of TIPL, Because of their nature, the proforma condensed consolidated financial information addresses & hypothetical situation and therefore, do not represent the Company's actual consolidated financial position as at 31st March, 2024 nor does it represent the Company's consolidated financial results for the year ended 31st March, 2024. They purport to indicate the results of operations that would have resulted had the acquisition been completed at the beginning of the period presented and the consolidated financial position had the acquisition been completed as at the year end, but are not intended to be indicative of expected results or operations in the future periods or the future financial position of the Company.

The proforma adjustments are based upon available information and assumptions that the management of the Company believes to be reasonable. Such proforma condensed financial information has not been prepared in accordance with standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. Accordingly, the degree of reliance placed by investors in other jurisdictions on such proforma information should be even more limited.

The proforma condensed consolidated financial information prepared by the management is based on:

a) the balance sheet of the Company as at 31st March, 2024 and the statement of profit and loss of the Company for the year ended 31st March, 2024 prepared in accordance with SEBI Regulations.

b) the restated audited financial statement comprising of balance sheet and statement of profit and loss of TIPL as at and for the year ended 31st March, 2024 have been prepared in accordance with Indian Accounting, Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of the Companies Act 2013 ('the Act') and other relevant provisions of the Act.

c) The proforma condensed consolidated financial information does not include any adjustment for liabilities or related costs that may result from acquisition of TIPL, nor do they reflect any adjustments for potential synergies that may result from acquisition of TIPL.

3. Proforma adjustment related to accounting policies

The proforma condensed consolidated financial information have been compiled to reflect the respective accounting policies adopted by the Company and TIPL and hence, there are no adjustments related to uniformity of accounting policies in this proforma condensed consolidated financial information.

4. Proforma adjustments related to acquisition

A) The following adjustments have been made to proforma condensed consolidated balance sheet:

(i) Shareholder's funds of the Company and TIPL are as under:

(Rs. in Lakhs)

Particulars	Equity Share Capital	Other Equity	Total
Shareholder's funds of the Company	11,446.29	29,673.52	41,119.81
Shareholder's funds of TIPL	1,250.00	6,156.86	7,406.86
	12,696.29	**35,830.38**	**48,526.67**
Cancellation of Equity of TIPL resulting out of proforma adjustments	(1,250.00)	(6,156.86)	(7,406.86)
Issue of equity shares by the company	176.06	14,823.94	15,000.00
Profit Element in Goods in Transit	-	(24.91)	(24.91)
Net change in shareholder's fund	**(1,073.94)**	**8,642.17**	**7,568.23**
Total shareholder's funds	**11,622.35**	**44,472.55**	**56,094.90**

(ii) Provisional purchase price allocation: The provisional allocation of the total purchase price on the basis of fair value of assets and liabilities taken over by the company as follows: -

(Rs. in Lakhs)

Particulars	Amount
Current Assets	12,638.35
Non-Current Assets	2,023.93
Total Assets (A)	**14,662.28**
Current liabilities	7,048.84
Non-Current Liabilities	206.58
Total Liability (B)	**7,255.42**
Net Assets as at 31st March, 2024 (A-B)	**7,406.86**

(iii) Goodwill arising on acquisition

(Rs. in Lakhs)

Particulars	Amount
Consideration transferred (in kind) (A)	15,000.00
Consideration transferred (In cash) (B)	2,500.00
Total Consideration (C)=(A+B)	**17,500.00**
Net assets as at 31st March, 2024	7,406.86
% Stake Acquired	**77.00%**
Share of Net Assets(D)	**5,703.28**
Goodwill (C-D)	**11,796.72**

(iv) Minority Interest

(Rs. in Lakhs)

Particulars	Amount
Net assets as at 31st March, 2024	7,406.86
Minority Interest (%)	**23.00%**
Minority Interest	**1,703.58**

(B) The Following intercompany adjustments have been made to proforma condensed consolidated financial statement.

(i) Purchase and Sale transaction in the holding and subsidiary company (includes any changes in inventory and GST upon such transaction)

(Rs. in Lakhs)

Particulars	Amount
Sales by subsidiary company to holding company	**168.51**
Purchase by holding company from subsidiary company	**73.14**
Stock in transit	**95.37**
GST impact of stock in transit	**17.17**

The proforma adjustment consist of sale from subsidiary to holding company. The holding company has recorded purchase of Rs. 73.14 Lakhs in its standalone financials whereas subsidiary has recorded the sale of Rs. 168.51 Lakhs in its standalone financials which is on account of timing differences while recording the purchase (upon actual receipt of goods) and sale (significant risk and reward of ownership of goods have been transferred) in the books of holding and subsidiary company. As at reporting date above impact of timing difference is considered and no further adjustment is required to be done on account of the same in the Condensed Consolidated Financial Statements.

(ii) Inventory

(Rs. in Lakhs)

Particulars	Amount
Inventory	**95.37**
Stock Reserve	**(24.91)**
Inventory net of Stock Reserve	**70.46**

(iii) Outstanding Balances in the books of holding and subsidiary companies

(Rs. in Lakhs)

Particulars	Amount
Advance to supplier in the books of holding company	**152.12**
Advance from customer in the books of subsidiary company	**39.58**

The proforma adjustment consist of advance given from holding to subsidiary company. The holding company has recorded advance to supplier of Rs. 152.12 Lakhs in its standalone financials whereas subsidiary has recorded the advance from customer of Rs. 39.58 Lakhs in its standalone financials which is on account of timing differences while recording the purchase (upon actual receipt of goods) and sale (significant risk and reward of ownership of goods have been transferred) in the books of holding and subsidiary company. As at reporting date above impact of timing difference is considered and no further adjustment is required to be done on account of the same in the Condensed Consolidated Financial Statements.

As per our report of even date

For S Y Lodha & Associates
Chartered Accountants
ICAI Firm Reg. No. 136002W

For and on behalf of the Board of Directors

Shashank Lodha
Partner
Membership No.: 153498
UDIN: 24153498BKDHXN6151
Place: Mumbai
Date: 21st October, 2024

Mukesh R. Gupta
Chairman
DIN: 00028347

Kalpesh P. Agrawal
Chief Financial Officer

Kishore M. Pradhan
Independent Director
DIN: 02749508

Rahima S. Shaikh
Company Secretary

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE COMPILATION OF PROFORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION INCLUDED IN THE DRAFT LETTER OF OFFER.

The Board of Directors,
Lloyds Engineering Works Ltd.,
(Formerly known as Lloyds Steels Industries Ltd.)

Dear Sirs,

Report on the compilation of Proforma Condensed Consolidated Financial Information included in the Draft Letter of Offer prepared by Lloyds Engineering Works Limited.

1. We have completed our assurance engagement to report on the compilation of the proforma condensed consolidated financial information of Lloyds Engineering Works Limited (the **"Company")** prepared by the management of the Company (The **"Management").** The proforma condensed consolidated financial information consists of the Proforma condensed consolidated statement of profit and loss (including other comprehensive income) for the half-year ended 30th September, 2024 and select explanatory notes (collectively **"Proforma Condensed Consolidated Financial Information"**), as set out in the Draft Letter of Offer prepared by the Company **(the "DLOF")** in connection with its proposed Rights Issue of its equity shares. The applicable criteria on the basis of which the Management has compiled the Proforma Condensed Consolidated Financial Information are specified in clause (11) (I) (B) (iii) of Part A of Schedule VI Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the **"ICDR Regulations")** issued by Securities and Exchange Board of India (the "SEBI) and described in note 2 of the Proforma Condensed Consolidated Financial Information. Because of its nature, the Proforma Condensed Consolidated Financial Information does not represent the Company's actual financial position and financial performance.

2. The Proforma Condensed Consolidated Financial Information has been compiled by the Management to illustrate the impact of the acquisition of Techno Industries Private Limited **("TIPL").** Set out in note 2 of the Proforma Condensed Consolidated Financial Information on the Company's financial position as at 30th September, 2024 and the Company's Financial Performance for the half-year ended 30th September, 2024 as if the acquisition had taken place as at and for the half-year ended 30th September, 2024. As part of this process, information about the Company's financial position, financial performance has been extracted by the Management from the Company's financial statements as at and for the half-year ended 30th September, 2024. We have relied on the Unaudited Ind AS financial statements of TIPL

provided by the management of the company as at and for the half-year ended 30th September, 2024, prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended (the 'Act').

Management's Responsibility for the Proforma Condensed Consolidated Financial Information.

3. Management is responsible for compiling the Proforma Condensed Consolidated Financial Information on the basis as set out in note 2 to the Proforma Condensed Consolidated Financial Information which has been approved by the Board of Directors of the Company (the "Board") on 19th October, 2024. This responsibility includes the responsibility for designing, implementing and maintaining internal control relevant for compiling the Proforma Condensed Consolidated Financial Information on the basis as set out in note 2 to the Proforma Condensed Consolidated Financial Information that is free from material misstatement, whether due to fraud or error. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations for the compilation of Proforma Condensed Consolidated Financial Information.

Auditor's Responsibilities:

4. Our responsibility is to express an opinion, as required by ICDR Regulations, about whether the Proforma Condensed Consolidated Financial Information has been complied, in all material respects, by the Management on the basis as set out in note 2 to the Proforma Condensed Consolidated Financial Information.

5. We conducted our engagement in accordance with the Standard on Assurance Engagements **(SAE)** 3420, Assurance Engagements to Report on the Compilation of Proforma Financial Information included in a Prospectus, issued by the Institute of Chartered Accountants of India **("ICAI").** This Standard requires that the Auditor comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Management has compiled, in all material respects, the Proforma Condensed Consolidated Financial Information on the basis set out in note 2 thereto.

6. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Proforma Condensed

Consolidated Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Proforma Condensed Consolidated Financial Information.

7. Our work has not been carried out in accordance with the auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the ICDR Regulations in connection with the proposed Rights Issue of equity shares.

8. The purpose of the Proforma Condensed Consolidated Financial Information included in the DLOF in solely to illustrate the impact of the above-mentioned acquisition of TIPL on unaudited financial information of the Company as if the acquisition of TIPL had occurred at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the above-mentioned acquisition as at and for the half-year ended 30th September, 2024 would have been as presented.

9. A reasonable assurance engagement is to report on whether the Proforma Condensed Consolidated Financial Information has been compiled, in all material respect, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Management in the compilation of the Proforma Condensed Consolidated Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the above mentioned acquisition, and to obtain sufficient appropriate evidence about whether:

- The related proforma adjustments give appropriate effect to those criteria; and
- The Proforma Condensed Consolidated Financial Information reflects the proper application of those adjustments to the unaudited financial information.

10. The procedures selected depend on the Auditor's Judgment, having regard to the Auditor's understanding of the nature of the Company, the event or transaction in respect of which the Proforma Condensed Consolidated Financial Information has been compiled, and other relevant engagement circumstances.

11. This report should not in any way be construed as re-issuance or re-dating of any of the previous audit reports issued by us on the financial statements of the Company or TIPL, as the case may be referred in paragraph 2 above. We have no responsibility to update our report for events and circumstances occurring after the date of this report.

12. The engagement also involves evaluating the overall presentation of the Proforma Condensed Consolidated Financial Information.

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

Other Matters:

14. We did not audit the financial information of Techno Industries Private Limited, whose financial information reflect total assets of Rs. 13,131.15 Lakhs as at 30th September, 2024, total revenues of Rs. 6,025.12 Lakhs for the period ended on that date, as considered in the proforma condensed consolidated financial information. This financial information has been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial information, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

15. Our opinion on the proforma condensed consolidated financial information, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

Opinion:

16. In our opinion, the Proforma Condensed Consolidated Financial Information has been compiled, in all material respects, on the basis set out in note 2 of the Proforma Condensed Consolidated Financial Information.

Restriction of use:

17. Our report is intended solely for use of the Board for inclusion in the DLOF to be filed with SEBI in connection with the proposed Rights Issue of equity shares. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. The Proforma Condensed Consolidated Financial Information is not a complete set of financial statements of the Company prepared in accordance with the Ind AS prescribed under Section 133 of the Act, as applicable and is not intended to give a true a fair view of the financial

position of the Company as at 30th September, 2024 and of its financial performance (including other comprehensive income) for the half-year ended 30th September, 2024 in accordance with the Ind AS prescribed under Section 133 of the Act, as appliable. As a result, this Proforma Condensed Consolidated Financial Information may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For S Y Lodha and Associates
Chartered Accountants
ICAI Reg. No. 136002W

Shashank Lodha
Partner M. No.: 153498
UDIN: 24153498BKDHXO5132
Dated: 21st October, 2024
Place: Mumbai

LLOYDS ENGINEERING WORKS LIMITED
(Formerly known as Lloyds Steels Industries Limited)
PROFORMA CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30TH SEPTEMBER, 2024

(Rs. in Lakhs)

Particulars	Proforma adjustments Notes	LEWL	TIPL	Proforma Adjustment	Proforma Condensed
ASSETS					
Non-Current Assets					
(a) Property, Plant and Equipment		6,109.83	969.54		7,079.37
(b) Capital Work in Progress		1,360.27			1,360.27
(c) Goodwill	4(A) (iii)	95.98		12,134.28	12,230.26
(d) Right To Use		1,470.04			1,470.04
(e) Other Intangible assets			670.10		670.10
(f) **Financial Assets**					
(i) Other Financial Assets		145.27	376.71		521.98
(ii) Loans		27,200.00	40.57		27,240.57
(g) Non-Current Investments		490.01			490.01
(h) Deferred Tax Assets (Net)		1,075.33	106.12		1,181.45
(i) Other Non-Current Assets		115.18			115.18
Sub Total Non-Current Assets		**38,061.91**	**2,163.04**	**12,134.28**	**52,359.23**
Current Assets					
(a) Inventories		9,680.76	4,484.21		14,164.97
(b) **Financial Assets**					
(i) Trade Receivables	4(B) (ii)	5,729.25	5,532.91	(8.61)	11,253.55
(ii) Cash and Cash Equivalents	4(A) (iii)	13,014.66	36.74	(2,500.00)	10,551.40
(iii) Other Balance with Banks		54.87	509.80		564.67
(iv) Loans		978.00	9.98		987.98
(v) Other Current Financial Assets		2,075.44	-		2,075.44
(c) Current Tax Assets (Net)		1,123.16	-		1,123.16
(d) Other Current Assets		4,076.81	394.47		4,471.28
Sub Total Current Assets		**36,732.95**	**10,968.11**	**(2,508.61)**	**45,192.45**
TOTAL ASSETS		**74,794.86**	**13,131.15**	**9,625.67**	**97,551.68**
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	4(A) (i)	11,446.29	1,250.00	(1,073.94)	11,622.35
(b) Other Equity	4(A) (i)	32,542.80	5,718.47	9,105.47	47,366.74
(c) Minority Interest	4(A) (iv)			1,602.75	1,602.75
Total Equity		**43,989.09**	**6,968.47**	**9,634.28**	**60,591.84**
LIABILITIES					
Non-Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings		405.52	22.15		427.67
(ia) Lease Liabilities		1,104.66			1,104.66
(b) Provisions		537.70	185.27		722.97
(c) Other non-current liabilities			24.72		24.72
Sub Total Non-Current Liabilities		**2,047.88**	**232.14**	**-**	**2,280.02**
Current Liabilities					
(a) **Financial Liabilities**					
(i) Borrowings		4,689.12	2,144.84		6,833.96
(ia) Lease Liabilities		319.90	-		319.90
(ii) Trade Payables					
- Total Outstanding dues of Micro & Small Enterprises					
- Total Outstanding dues of Other Than Micro & Small Enterprises	4(B) (ii)	6,333.82	2,669.56	(8.61)	8,994.77
(iii) Other Financial Liabilities		1,649.47	1.36		1,650.83
(b) Provisions		516.15	364.18		880.33
(c) Other Current Liabilities		15,249.43	739.21		15,988.64
(d) Current Tax Liabilities (Net)		-	11.39		11.39
Sub Total Current Liabilities		**28,757.89**	**5,930.54**	**(8.61)**	**34,679.82**
Total Liabilities		**30,805.77**	**6,162.68**	**(8.61)**	**36,959.84**
TOTAL EQUITY AND LIABILITIES		**74,794.86**	**13,131.15**	**9,625.67**	**97,551.68**

The above financial statements should be read with the notes on basis of preparation and other explanatory notes to the proforma condensed consolidated financial information's.

As per our report of even date

For S Y Lodha & Associates
Chartered Accountants
ICAI Firm Reg. No. 136002W

For and on behalf of the Board of Directors

Shashank Lodha
Partner
Membership No.: 153498
UDIN: 24153498BKDHXO5132
Place: Mumbai
Date: 21st October, 2024

Mukesh R. Gupta
Chairman
DIN: 00028347

Kalpesh P. Agrawal
Chief Financial Officer

Kishore M. Pradhan
Independent Director
DIN: 02749508

Rahima S. Shaikh
Company Secretary

LLOYDS ENGINEERING WORKS LIMITED
(Formerly known as Lloyds Steels Industries limited)
PROFORMA CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE HALF YEAR ENDED ON 30TH SEPTEMBER, 2024

(Rs. in Lakhs)

Particulars	Proforma Adjustments Notes	LEWL	TIPL	Proforma Adjustments	Proforma Condensed
INCOME					
Revenue from Operations	4(B) (i)	34,757.00	5,983.82	(137.45)	40,603.37
Other Income		759.51	41.30		800.81
Total Income		**35,516.51**	**6,025.12**	**(137.45)**	**41,404.18**
Expenses					
Cost of Raw Material Consumed	4(B) (i)	16,630.39	4,410.80	(232.82)	20,808.37
Purchase of Traded Goods		3,389.40			3,389.40
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	4(B) (i)	2,617.34	(156.86)	95.37	2,555.85
Employee Benefits Expense		1,770.71	1,251.71		3,022.42
Manufacturing and Other Expenses		4,650.29	891.97		5,542.26
Finance Costs		300.95	122.47		423.42
Depreciation and Amortization Expense		410.64	77.81		488.45
Total Expenses		**29,769.72**	**6,597.90**	**(137.45)**	**36,230.17**
Profit before Exceptional Items and Tax		**5,746.79**	**(572.78)**	**-**	**5,174.01**
Exceptional Items		-	0.14		0.14
Profit Before Tax		**5,746.79**	**(572.92)**	**-**	**5,173.87**
Tax Expense:					
(1) Current Tax		1,250.25	-		1,250.25
(2) Deferred Tax Expenses / (Income)		(420.16)	(134.54)		(554.70)
Total Tax Expenses		**830.09**	**(134.54)**	**-**	**695.55**
Profit for the Period		**4,916.70**	**(438.38)**	**-**	**4,478.32**
Other Comprehensive Income					
Items not to be reclassified to profit or loss					
Re-measurement (losses)/gains on defined benefit plans		(19.39)	-		(19.39)
Income Tax relating to items not to be reclassified to Profit and Loss		4.88	-		4.88
Other Comprehensive Income for the period		**(14.51)**	**-**	**-**	**(14.51)**
Total Comprehensive (loss) / gain for the period		**4,902.19**	**(438.38)**	**-**	**4,463.81**
Profit for the period attributable to:					
Shareholders of the company		**4,916.70**	**(337.55)**		**4,579.15**
Non-Controlling Interest		**-**	**(100.83)**		**(100.83)**
Profit for the period		**4,916.70**	**(438.38)**	**-**	**4,478.32**
Other Comprehensive expense for the period attributable to:					
Shareholders of the Company		**(14.51)**	**-**		**(14.51)**
Non-Controlling interest		**-**	**-**		
Other comprehensive expense for the period, net of tax		**(14.51)**	**-**		**(14.51)**
Total Comprehensive income for the period attributable to:					
Shareholders of the company		**4,902.19**	**(337.55)**		**4,564.64**
Non-controlling interest		**-**	**(100.83)**		**(100.83)**
Total Comprehensive Income for the period		**4,902.19**	**(438.38)**	**-**	**4,463.81**
Earnings per share (In Rs.)					
EPS – Basic (in Rs.)					**0.39**
EPS – Diluted (in Rs.)					**0.39**

The above financial statements should be read with the notes on basis of preparation and other explanatory notes to the proforma condensed consolidated financial information's.

As per our report of even date

For S Y Lodha & Associates
Chartered Accountants
ICAI Firm Reg. No. 136002W

For and on behalf of the Board of Directors

Shashank Lodha
Partner
Membership No.: 153498
UDIN: 24153498BKDHXO5132
Place: Mumbai
Date: 21st October, 2024

Mukesh R. Gupta
Chairman
DIN: 00028347

Kalpesh P. Agrawal
Chief Financial Officer

Kishore M. Pradhan
Independent Director
DIN: 02749508

Rahima S. Shaikh
Company Secretary

LLOYDS ENGINEERING WORKS LIMITED (Formerly known as Lloyds Steels Industries Limited)
Notes to the proforma condensed consolidated financial information for the half year ended 30th September, 2024

1.Background of transaction and of entities forming part of proforma condensed consolidated financial information

Our Company was incorporated as "Climan Properties Private Limited" on 19th September, 1994, as a Private Limited Company under the Companies Act, 1956, and was granted the Certificate of Incorporation by the Registrar of Companies, Mumbai. Subsequently, our Company was converted into a Public Limited Company and the name of our Company was changed to "Climan Properties Limited" on 17th April, 2000, vide a fresh certificate of incorporation issued by the Registrar of Companies, Mumbai. Thereafter, the name of our Company was changed from "Climan Properties Limited" to "Encon Technologies Limited" pursuant to a fresh Certificate of Incorporation dated 19th April, 2000. Subsequently, the name of our Company was changed to "Lloyds Encon Technologies (I) Limited" on 31st May, 2011, vide a fresh certificate of incorporation issued by the Registrar of Companies, Mumbai. The name of our Company was changed to " Lloyds Steels Industries Limited" on 04th May, 2013, vide a fresh Certificate of Incorporation issued by the Registrar of Companies, Mumbai. Pursuant to a scheme of arrangement ("Scheme") between Uttam Value Steels Limited ("UVSL") and Lloyds Steels Industries Limited, the engineering division of UVSL was demerged from UVSL into Lloyds Steels Industries Limited, by the Hon'ble High Court of Judicature at Bombay vide its order dated 30th October, 2015, and speaking to minutes of the order dated 30th November, 2015. Subsequent to the sanction of the Scheme, Lloyds Steels Industries Limited was listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on 18th July, 2016. The name of our Company was changed from "Lloyds Steels Industries Limited" to its present name "Lloyds Engineering Works Limited" vide a fresh Certificate of Incorporation dated 25th July, 2023, issued by the Registrar of Companies, Mumbai. Our Company is a process plant equipment manufacturing company. Our Company, inter alia, provides engineering and infrastructure solutions, encompassing designing, engineering, manufacturing, fabrication and installation of heavy equipment, as well as machinery and systems for customers of hydrocarbon (oil & gas) sector, steel processing industries, captive power plants used in steel plants, marine sector, ports, heat exchangers used by nuclear power plants as well as other projects. We also offer services in civil construction related projects.

Techno Industries Private Limited (TIPL) is a Private Limited company, incorporated under the provisions of the companies act 1956 on 01st May, 2000, engaged in the business of manufacturing of escalator, elevator and motors and pumps.

On 15th October, 2024, our Company acquired 77.00 % stake in TIPL by way of acquisition of equity shares of TIPL. The company has issued 1,76,05,634 Equity shares by way of preferential issue to Mr. Bharat Patel Promoter of TIPL for acquisition of 66.00% of Share Capital of TIPL and paid a sum of Rs 2,500.00 Lakhs to Mr. Bharat Patel for acquisition of 11.00 % stake of TIPL. Therefore, with effect from 15th October, 2024 TIPL became Material Subsidiary of the company.

The company along with TIPL is herein after collectively referred to as the group.

2.Basis of Preparation

The proforma condensed consolidated financial information has been prepared by the management of the Company in accordance with the requirements of paragraph 11 of item (I) (B) (iii) of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the "SEBI Regulations") issued by the Securities and Exchange Board of India (the "SEBI") to reflect the impact of a material acquisitions, as defined in SEBI Regulations, made after the date of the latest half-yearly unaudited financial statements of the Company, viz., 30th September, 2024.

The proforma condensed consolidated financial information of the Company comprising the proforma condensed consolidated balance sheet as at 30th September, 2024, the proforma condensed consolidated statement of profit and loss for the half year ended 30th September, 2024, read with the selected explanatory notes to the proforma condensed consolidated financial information (collectively "proforma condensed consolidated financial information"), has been prepared as per the requirements of SEBI Regulations to reflect acquisition of TIPL, Because of their nature, the proforma condensed consolidated financial information addresses & hypothetical situation and therefore, do not represent the Company's actual consolidated financial position as at 30th September, 2024 nor does it represent the Company's consolidated financial results for the half year ended 30th September, 2024. They purport to indicate the results of operations that would have resulted had the acquisition been completed at the beginning of the period presented and the consolidated financial position had the acquisition been completed as at the half year end, but are not intended to be indicative of expected results or operations in the future periods or the future financial position of the Company.

The proforma adjustments are based upon available information and assumptions that the management of the Company believes to be reasonable. Such proforma condensed financial information has not been prepared in accordance with standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. Accordingly, the degree of reliance placed by investors in other jurisdictions on such proforma information should be even more limited.

The proforma condensed consolidated financial information prepared by the management is based on:

a) the balance sheet of the Company as at 30th September, 2024 and the statement of profit and loss of the Company for the half year ended 30th September, 2024 prepared in accordance with SEBI Regulations.

b) the restated audited financial statement comprising of balance sheet and statement of profit and loss of TIPL as at and for the half year ended 30th September, 2024 have been prepared in accordance with Indian Accounting, Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of the Companies Act 2013 ('the Act') and other relevant provisions of the Act.

c) The proforma condensed consolidated financial information does not include any adjustment for liabilities or related costs that may result from acquisition of TIPL, nor do they reflect any adjustments for potential synergies that may result from acquisition of TIPL.

3. Proforma adjustment related to accounting policies

The proforma condensed consolidated financial information have been compiled to reflect the respective accounting policies adopted by the Company and TIPL and hence, there are no adjustments related to uniformity of accounting policies in this proforma condensed consolidated financial information.

4. Proforma adjustments related to acquisition

A) The following adjustments have been made to proforma condensed consolidated balance sheet:

(i) Shareholder's funds of the Company and TIPL are as under:

(Rs. In Lakhs)

Particulars	Equity Share Capital	Other Equity	Total
Shareholder's funds of the Company	11,446.29	32,542.80	43,989.09
Shareholder's funds of TIPL	1,250.00	5,718.47	6,968.47
	12,696.29	**38,261.27**	**50,957.56**
Cancellation of Equity of TIPL resulting out of proforma adjustments	(1,250.00)	(5,718.47)	(6,968.47)
Issue of equity shares by the company	176.06	14,832.94	15,000.00
Net change in shareholder's fund	**(1,073.94)**	**9,105.47**	**8,031.53**
Total shareholder's funds	**11,622.35**	**47,366.74**	**58,989.09**

(ii) Provisional purchase price allocation: The provisional allocation of the total purchase price on the basis of fair value of assets and liabilities taken over by the company as follows: -

(Rs. In Lakhs)

Particulars	Amount
Current Assets	10,968.11
Non-Current Assets	2,163.04
Total Assets (A)	**13,131.15**
Current liabilities	5,930.54
Non-Current Liabilities	232.14
Total Liability (B)	**6,162.68**
Net Assets as at 30th September, 2024 (A-B)	**6,968.47**

(iii) Goodwill arising on acquisition

(Rs. In Lakhs)

Particulars	Amount
Consideration transferred (in kind) (A)	15,000.00
Consideration transferred (In cash) (B)	2,500.00
Total Consideration (C)=(A+B)	**17,500.00**
Net assets as at 30th September,2024	**6,968.47**
% Stake Acquired	**77.00%**
Share of Net Assets (D)	**5,365.72**
Goodwill (C-D)	**12,134.28**

(iv) Minority Interest

(Rs. In Lakhs)

Particulars	Amount
Net assets as at 30th September,2024	**6,968.47**
Minority Interest (%)	**23.00%**
Minority Interest	**1,602.75**

(B) The Following intercompany adjustments have been made to proforma condensed consolidated financial statement

(i) Purchase and Sale transaction in the holding and subsidiary company

(Rs. In Lakhs)

Particulars	Amount
Sales by subsidiary company to holding company	**137.45**
Purchase by holding company from subsidiary company	**232.82**
Change in Inventory	**95.37**

The holding company has recorded purchase of Rs. 232.82 Lakhs (P. Y. Rs.73.14 Lakhs) in its standalone financials whereas subsidiary has recorded Rs. 137.45 Lakhs (P. Y. Rs. 168.51 Lakhs) in its standalone financials statement.

The aforesaid difference occurred due to timing differences on account of recording the sale and purchase in the books of the subsidiary and holding companies.

The ledger balances of the subsidiary in holding and holding in subsidiary are in sync as on 30th September, 2024 and any impact of timing differences on account of recording sales in the books of subsidiary (significant risk and reward of ownership of goods have been transferred) and it's simultaneous impact on recording purchase in books of holding company (upon actual receipt of delivery of the goods) is accounted for in change in inventory since there are no goods in transit as at that date for any transaction entered between the holding and subsidiary company.

(ii) Outstanding Balances in the books of holding and subsidiary companies

(Rs. In Lakhs)

Particulars	Amount
Trade Payables in the books of holding company	**8.61**
Trade Receivables in the books of Subsidiary company	**8.61**

There is no impact of timing differences as at 30th September, 2024 in the books of the holding and subsidiary companies and the relevant debtors and creditors balances have been eliminated.

As per our report of even date

For S Y Lodha & Associates
Chartered Accountants
ICAI Firm Reg. No. 136002W

For and on behalf of the Board of Directors

Shashank Lodha
Partner
Membership No.: 153498
UDIN: 24153498BKDHXO5132
Place: Mumbai
Date: 21st October, 2024

Mukesh R. Gupta
Chairman
DIN: 00028347

Kalpesh P. Agrawal
Chief Financial Officer

Kishore M. Pradhan
Independent Director
DIN: 02749508

Rahima S. Shaikh
Company Secretary

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as disclosed in this section, there are no outstanding (i) criminal proceedings; (ii) actions taken by regulatory or statutory authorities; (iii) litigation involving claims related to direct and indirect taxes; and (iv) other pending litigation as determined to be material as per the materiality threshold adopted pursuant to the Board resolution dated September 27, 2024, in each case involving our Company, Promoters and Directors ("Relevant Parties").

For the purpose of identification of material litigation in (iv) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigation to be disclosed by our Company in this Letter of Offer pursuant to the Board resolution dated September 27, 2024. Accordingly, disclosures of the following types of litigation involving the Relevant Parties have been included.

All outstanding litigation, including any litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary actions including any penalty imposed by SEBI or Stock Exchanges against the Promoters in the last five financial years including any outstanding actions, would be considered 'material' in the following circumstances:

*a) where such matters involve any of the Relevant Parties, the monetary amount of claim by or against the entity or person in any such pending proceeding is equivalent to or in excess of ₹ 204.35 Lakhs (being lesser of (i) two percent (2 %) of turnover, as per last Audited Financial Statements of our Company, (ii) two percent (2%) of net worth, as per last Audited Financial Statements, except in case the arithmetic value of net worth is negative, and (iii) five percent (5%) of the average of absolute value of profit or loss after tax , as per last three Audited Financial Statements of our Company up till the Financial Year 2024), in terms of the Standalone Financial Statements)("**Materiality Threshold**"); and*

b) all outstanding litigation which may not meet the monetary threshold, or wherein a monetary liability is not quantifiable, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation or prospects of our Company and as determined by our Company.

Further, except as disclosed in this section, there are no disciplinary actions including penalties imposed by the SEBI or the Stock Exchanges against our Promoters in the last five Financial Years including any outstanding action.

It is clarified that for the above purposes, pre-litigation notices received by the Relevant Parties from third parties (excluding statutory or regulatory or tax authorities) have not been considered as litigation until such time that the Relevant Parties are not impleaded as a defendant in the litigation proceedings before any judicial forum or arbitral forum.

I. Litigation involving our Company

Litigation against our Company

1. *Criminal Proceedings*

Nil

2. *Outstanding actions by regulatory and statutory authorities*

1. The Assessing Officer ("**AO**") vide Demand Notice dated March 31, 2022, under Section 156 and Assessment Order dated March 31, 2022, of the Income Tax Act had reassessed our Company to be liable to pay additional tax amount of ₹10,49,34,990 and accrued interest thereon on sale and purchase transactions carried out by the Company for Assessment Year 2015-16. The Company has filed an appeal before the Commissioner of Income (Appeals) against the order of the AO under Section 35 of the

Income Tax Act. The matter is currently pending.

2. The Assessing Officer ("**AO**") vide Demand Notice dated March 31, 2022, under Section 156 and Assessment Order dated March 31, 2022, of the Income Tax Act had reassessed our Company to be liable to pay additional tax amount of ₹10,04,600 and accrued interest thereon on sale and purchase transactions carried out by the Company for Assessment Year 2016-17. The Company has filed an appeal before the Commissioner of Income (Appeals) against the order of the AO under Section 35 of the Income Tax Act. The matter is currently pending.

3. The Assessing Officer ("**AO**") vide Demand Notice dated March 31, 2022, under Section 156 and Assessment Order dated March 31, 2022, of the Income Tax Act had reassessed our Company to be liable to pay additional tax amount of ₹ 2,00,100 and accrued interest thereon on sale and purchase transactions carried out by the Company for Assessment Year 2019-20. The Company has filed an appeal before the Commissioner of Income (Appeals) against the order of the AO under Section 35 of the Income Tax Act. The matter is currently pending.

3. *Material civil proceedings*

1. Indian Oil Corporation Ltd ("**IOCL**") filed a petition under Section 11 of the Arbitration and Conciliation Act, 1996 against our Company in the High Court of Delhi at New Delhi seeking to pass an order for appointing a sole arbitrator to adjudicate the disputes arising out of work order signed on November 24, 1994, involving the parties. The amount involved in this current dispute is of ₹ 815 lakhs with interest. The single judge vide its order dated October 15, 2009 appointed Shri V.S. Aggarwal as the sole arbitrator. Cross examination of witnesses have been conducted and taken on record by the sole arbitrator vide orders dated February 01, 2014, August 30, 2014, March 21, 2015 and May 14, 2015. By virtue of the High Court of Delhi order dated January 14, 2020, Justice Manmohan Singh was appointed as new Arbitrator and shall proceed from the stage the proceedings were left by earlier Arbitrator Justice V.S Agrawal. The matter was heard and final arguments was made/ advanced by both the parties and the matter is currently kept reserve for award.

2. Luke Blaise Gomes and Ors. ("**Plaintiffs**") filed a suit in the High Court of Bombay (Ordinary Original Civil Jurisdiction) bearing suit no. 1058 of 2004 against Rehmat Ullah Nasibdar Kadri, Lloyds Steel Industries Ltd and Ors. ("**Defendants**") praying that the property attached in suit ("Property") was wrongly sold amongst the Defendants and that the Plaintiffs hold interest in the land parcel attached as the Property. A Written Statement was filed by the Defendants on October 12, 2007. The matter was disposed on October 1, 2012 thereby transferring the same to City Civil Court, Mumbai bearing Suit No. HC/ 6562 of 2004. The matter is currently pending and next date in the said matter is April 24, 2025

3. Mark Joseph Gomes ("**Plaintiff**") filed a suit in the Civil Court of Bombay bearing suit no. 3700 of 2011 against Indrajit Infrastructure Private Limited, Rehmtullah Nasibdar Kaderi (Kazi), Lloyds Steel Industries Limited and Ors ("**Defendants**") inter-alia praying for declaration that the Plaintiff along with Defendants are the owner of the property bearing no. 94 H.No. 9(Part), CTS No. 1498, measuring about 1422 Sq mtrs, Andheri ("**Property**") and that the Property was wrongly mutated in favour of the Defendants. A Written Statement was filed by the Defendants on March 12, 2013. The matter is currently pending.

4. Maharashtra Navnirman Kamgar Sena ("**Complainant**") filed petitions having reference number 37,38 and 39 of year 2010 under Sections 25F, 25G of Industrial Dispute Act, 1947 ("**Industrial Disputes Act**") against our Company in the Industrial Court at Thane ("**Court**"). Before filing the said petition, the Complainants filed an application before the Labour Commissioner, wherein their demands inter-alia included a) the Company to be held liable for indulging in unfair labour practice under items 1(a), (b) of Schedule II, 6,9 and 10 of Schedule IV of the Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1971 ("**MRTU & PULP Act**"), and subsequently the conciliation in the office of Labour Commissioner failed. The matters were referred to the Industrial Tribunal, Maharashtra, Thane by the Court and the same was informed to the parties vide notice dated November 22, 2010. The statement of claims was filed by the workers on April 27, 2012, and the written statement was filed by 232 our Company on September 13, 2012. Cross examination of workers, employees and contractors has been concluded in front of the presiding officer of the Industrial Tribunal, Thane. The matter is currently

pending for the order. In line with the above case, all 10 labour/ worker filed another Industrial Dispute Application in their respective individual capacity (bearing IDA no. from 162 to 171) wherein claiming Arrears of Wages and other reliefs under Industrial Dispute Act. The matter is currently pending, and next date of hearing is April 07, 2025.

4. Actions taken/ penalties/ warning letters issued, if any, by SEBI or the Stock Exchanges:

We confirm that there have been no actions taken/ penalties/ warning letters issued, if any, by SEBI/ Stock Exchanges for the last three (3) years.

Litigation filed by our Company

1. Criminal proceedings

1. Our Company filed a complaint under section 138 r/w section 141 of the Negotiable Instruments Act, 1881 against Kanade Anand Udyog Private Limited ("**Kanade**") and Ors in the Hon'ble Metropolitan Magistrate Court at Bhoiwada, Dadar. Our Company indulged Kanade in a work order on January 30, 2023 for Steel Gratings Plate for a total amount of ₹15,00,51. 60/- (Rupees Fifteen Lakhs Five Hundred Eleven Rupees and Sixty Paisa). Upon completion of the order, Kanade raised the invoice for the said amount for which, our Company released payments in two tranches. However, Kanade failed to pay the statutory tax amount of GST to credit of Government thereby resulting in non availment of Input Tax Credit to our Company. Further, our Company asked Kanade to pay the same for which Kanade issued a cheque in favor of our Company. Upon depositing the cheque, the said cheque was dishonoured and a statutory notice was sent to Kanade. Despite the notice, Kanade failed to deposit the said money and hence, the present complaint. The matter is currently pending, and the next hearing is scheduled for May 06, 2025.

2. Civil Proceedings

1. Our Company filed an application under Section 11 of the Arbitration and Conciliation Act, 1996 against the Bharat Petroleum Corporation Limited ("**BPCL**") before the High Court of Kerala at Ernakulam seeking appointment of an independent arbitrator for the resolution of disputes raised by the parties. The High Court of Kerala at Ernakulam vide its order dated April 11, 2019, appointed Sri. N. Sukumaran as the learned sole arbitrator. The learned sole arbitrator passed an award dated October 17, 2021 ("**Award**"), inter-alia allowing claims of the Company for ₹1,31,45,000/- along with interest at the rate of 8% per annum on the principal from August 25, 2015. Subsequently, an execution petition has been filed by our Company under Section 38 of the Arbitration and Conciliation Act, 1996 for enforcement of the decree for the Award dated October 17, 2021.

   BPCL filed an application under Section 34 of the Arbitration and Conciliation Act, 1996 in the Commercial Court (Principle Subordinate Judge's Court) at Ernakulam against the Award, by the learned sole arbitrator. Hon'ble Court vide its order dated December 07, 2023, decided the matter in our favour.

   Aggrieved by the award, BPCL filed Appeal under section 37 of Arbitration Act, before Principal Commercial Court, Ernakulam, Kerala. The matter is currently pending. Next hearing date is scheduled on June 07, 2025.

2. Oil and Natural Gas Corporation Limited. ("**ONGC**") and our Company entered into a contract for Group Gathering Station-VI at Denwa, Gandhar, Gujrat ("**Contract**"). An application for arbitration was invoked by our Company in August 2001 under the Arbitration and Conciliation Act, 1996 against ONGC for recovery of a sum of ₹5,71,33,714/-. The matter was referred to the Arbitral Tribunal ("**AT**") consisting of three arbitrators as per the stipulation in the Contract. However, the proceedings could not be concluded on account of the demise of one of the arbitrators and lead to dissolution of AT. The Trial Court ordered fresh arbitration proceedings in the matter. ONGC challenged the Trial Court order before the High Court of Gujarat at Ahmedabad. The High Court of Gujarat passed an order by which the arbitration was allowed to proceed further.

Our Company in its letter dated April 15, 2015, invoked arbitration clause, and requested ONGC to refer the dispute to the learned sole arbitrator. In view of the revised arbitration clause issued by ONGC vide circular dated March 01, 2011, the dispute was referred to the learned sole arbitrator instead of three arbitrators stipulated under the Contract. Retd. Justice P.B Majumdar was appointed as the learned sole arbitrator. The award was passed on March 01, 2017, with corrections on April 06, 2017, and May 05, 2017 (collectively referred to as the "**Award**"). ONGC was directed a) to pay Our Company 50% of ₹ 2,95,40,520/- towards withheld bills and amounts adjusted against the condonation for delay b) ONGC to pay 50% of ₹56,10,735/- towards deduction made in connection with peripheral road. c) the award amount to be paid with 9% per annum from September 01, 2001, till payment and the final amount to be paid after two months post that 18% interest per annum till the date of payment.

ONGC filed a Commercial Application under Section 34 of the Arbitration and Conciliation Act, 1996 for stay of the Award. Our Company filed an Execution Petition on April 13, 2018, for execution of the Award. ONGC filed an application on June 27, 2018, before the Commercial Court at Vadodara seeking stay of execution proceedings under Section 36(2) of the Arbitration and Conciliation Act, 1996. The Commercial Court, vide order dated June 30, 2018 ("**Order**"), directed ONGC to deposit 50% of the Award in cash.

Our Company filed a Commercial Application, CMA No. 41 of 2018 on July 12, 2018, to withdraw the amount of ₹2,30,54,409 deposited by ONGC with the Registry of the Commercial judge at Vadodara. The Application was allowed vide order dated October 11, 2018, subject to placing a Bank Guarantee ("**BG**") (50% of the deposited amount) and Corporate Guarantee ("**CG**") (50% of the deposited amount) against such withdrawal.

Subsequently the case was transferred to 2nd Additional District judge, Bharuch at Ankleshwar and the main application challenging the Award was dismissed vide order dated September 17, 2022. Our Company on October 11, 2022, filed an application for returning the original BG and CG along with amendment from the custody of District Nazir.

ONGC, being aggrieved by the order dated September 17, 2022, preferred first Appeal No. 4998 of 2022, under Section 37(1) (c) of the Arbitration and Conciliation Act, 1996 ("**Appeal**") before the Gujarat High Court. ONGC also preferred Civil Application No. 1 of 2022 for stay. The Appeal was admitted, and stay was granted on the Award by an order dated February 15, 2023.

ONGC filed an affidavit in purported compliance of the order dated February 15, 2023. Our Company filed a Civil Application on July 13, 2023 before the High Court of Gujarat seeking direction upon ONGC to deposit the balance amount under the Award read with order dated February 15, 2023, for disbursing the amount already deposited by ONGC and to release the Bank Guarantee and the Corporate Guarantee which was furnished by Our Company under the Interim order dated October 11, 2018 passed in Commercial Court at Vadodara in CMA 41 of 2018. Based on the relief prayed in Civil Application the High Court of Gujarat vide Interim Order dated August 29, 2023, granted withdrawal by our Company of the amount of Rs 3,03,43,358 deposited in the registry of the court, pursuant to the order dated February 15,2023 by ONGC and further granted release of BG and CG deposited with Registry of the Commercial judge at Vadodara by our Company. Matter is currently pending for final arguments.

3. In 1991, Our Company, in accordance with the contractual obligations of the tender, had extended a bank guarantee to Oil India Ltd ("**Oil India**"). for an amount of approximately ₹98,00,000. For certain reasons recorded in the legal proceedings, Oil India invoked the bank guarantee and appropriated the proceeds against the claim on us. Our Company disputed the claim and invocation of the bank guarantee and filed proceedings against Oil India in the High Court of Bombay, being suit no. 1624 of 1991 seeking a stay on invocation of the bank guarantee. The High Court of Bombay granted an ad-interim injunction restraining Oil India from invoking and encashing the bank guarantee, which injunction was subsequently dismissed on June 12, 1991. Our Company then filed an application, being Civil Misc Case No. 17 of 1993 before the District Court of Jodhpur, Rajasthan under the provisions of Section 20 of the Arbitration Act, 1940, seeking to file the agreement with Oil India in the District Court of Jodhpur. The District Court of Jodhpur rejected the application. Thereafter, our Company filed an appeal before the High Court of Rajasthan against the order of the District Court of Jodhpur dated December 23, 1994. On September 19, 2002, the High Court of Rajasthan rejected our appeal. Our Company then filed a Special

Leave Petition (SLP) before the Hon'ble Supreme Court of India against the order passed by the High Court of Rajasthan. The SLP was disposed off vide order dated August 27, 2005 and the Supreme Court remanded the proceedings to the High Court of Bombay in pursuance of our claim against Oil India.

Subsequently, the High Court of Bombay further remanded the legal proceedings to Additional Sessions Judge at City Civil and Sessions Court, Mumbai. The matter is currently pending hearing before the City Civil and Sessions Court, Mumbai. Next hearing is scheduled on April 23, 2025.

4. Our Company and Transparent Energy Systems Pvt. Ltd. ("**TESPL**") entered into a contract for the design, engineering, and supply of pollution control equipment for our Company's iron ore pelletizing plant project in Barbil, Orissa. TESPL failed to fulfill its contractual obligations, including delays in delivery, defective supplies, and failure to provide necessary technical services, hence, our Company invoked arbitration proceedings against TESPL. The initial arbitration process concluded with an award that rejected both the claims and counterclaims of the parties. Dissatisfied with the result, TESPL challenged the award in the Bombay High Court.

   On March 17, 2015, by consent of both parties, the court set aside a portion of the initial award and referred the matter back for arbitration regarding specific claims. Justice Pramod D. Kode (Retd.) was appointed as the sole arbitrator. On November 9, 2023, the arbitrator ruled in favor of the Respondent, directing Lloyds Engineering to pay ₹23,97,000 with 12% annual interest from August 12, 2008, as well as ₹34,07,647 towards arbitration costs.

   Our Company has challenged this award under Section 34 of the Arbitration and Conciliation Act, 1996, bearing suit no. IAL/ 4751/ 2024 alleging errors and patent illegality in the arbitral decision. Next hearing is scheduled on June 17, 2025.

5. Our Company had a contractual dispute with Omkar Heavy Engineering Ltd ("**Omkar**") over a fabrication and supply agreement for hot metal ladles. Our Company awarded a purchase order to Omkar for the manufacture of six hot metal ladles. Despite multiple amendments to the contract due to delays, Omkar failed to deliver the agreed-upon products. Consequently, our Company reduced the order and eventually terminated the contract, citing Omkar's inability to perform.

   Omkar initiated arbitration, claiming unpaid dues and damages, while our Company counterclaimed for breach of contract and damages. The arbitration tribunal partially allowed Omkar's claim for ₹4,00,000 plus GST and interest and granted our Company ₹75,000 as a counterclaim. Further, our Company has challenged the award under Section 34 of the Arbitration and Conciliation Act, 1996, alleging multiple procedural and substantive errors. The matter is currently pending before the Bombay High Court, and the next hearing is scheduled on April 24, 2025.

II. ***Tax Proceedings***

(₹ in lakhs)

Particulars		
Company	**Number of Cases**	**Aggregate amount involved to the extent ascertainable**
Direct Tax	9	1612.17
Indirect Tax	1	139.24
Promoters		
Direct Tax	8	3911.24
Indirect Tax	Nil	Nil
Directors		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	**18**	**5662.75**

III. Litigation involving our Promoters (including Promoter Group)

Litigation filed against our Promoters (including Promoter Group)

1. Criminal Proceedings

1. In January 2010, the Deputy Superintendent of Police, Central Bureau of Investigation ("**CBI**"): BS&FC; Mumbai filed a chargesheet bearing no. RC 5(E)/2001/CBI/BS&FC/Mumbai ("Chargesheet") against Mukesh R. Gupta and other Defendants named therein under Section 120B of the Indian Penal Code ("IPC"), read with Sections 409,420, 467, 468, 471 of IPC and Commission of Specific Offences under Section 420 of IPC. The charges against Mukesh R. Gupta are that he took delivery of certain tainted shares on instructions of one of the broker defendants and introduced them in the market through another broker, who sold those shares and used the proceeds to boost the share price of a certain company. As on date, the Additional Chief Metropolitan Magistrate, at the Esplanade Court, Mumbai is in the process of recording the statement of witnesses. On being called to the Magistrate Court pursuant to a summons, Mukesh R. Gupta has pleaded not guilty before the court. Till date, no Court or authority has conducted any cross examination of Mukesh R Gupta nor convicted him of any offence. The matter is currently pending.

2. The Chief Regional Manager of Indian Overseas Bank ("**IOB**") filed a written complaint on October 27, 2021, with the Central Bureau of Investigation, Economic Offences Branch Mumbai ("**CBI**") alleging certain persons related to Dilshad Trading Company Private Limited ("**Dilshad Trading**") conspired to fraudulently obtain letters of credit from IOB; that they allegedly misrepresented Dilshad Trading's financial position and committed fraud, causing wrongful loss of ₹7,272 Lakhs to IOB and a wrongful gain to themselves.

   On investigation into the alleged fraud by Dilshad Trading, the CBI ascertained that certain other companies had committed similar frauds on IOB. Two of these companies are Duli Trade & Commodities Pvt. Ltd. and Elecmec Engineering & Projects Pvt. Ltd.

   Initially, the CBI filed a Chargesheet against Dilshad Trading and its representatives. The CBI then filed a Supplementary Chargesheet against the other entities and Ravi Agarwal, one of our promoter group individuals and a promoter of our Corporate Promoter.

   The Supplementary Chargesheet alleges that Ravi Agarwal entered into a criminal conspiracy with certain persons to defraud IOB the letters of credit route and using Duli Trade & Commodities Pvt. Ltd. and Elecmec Engineering & Projects Pvt. Ltd. for this purpose.

   Ravi Agarwal filed his reply to the Supplementary Chargesheet and submitted that the charges alleged against him are false. He attended the CBI hearings and made his submissions. He then filed a bail application and sought pre-arrest bail under the Supplementary Chargesheet, which was granted. The next hearing is scheduled for April 17, 2025.

3. On May 3, 2012, Mr. Ramesh Karade ("**Complainant**") filed a criminal complaint against Mr. Ravi Agarwal and others, alleging misappropriation of ₹1,36,000 collected as a deposit for legal and society-related charges. The matter is currently pending and the next hearing is scheduled on September 16, 2025.

2. Outstanding actions by regulatory and statutory authorities

Nil

3. Material Civil proceedings

Nil

Litigation filed by our Promoters (including Promoter group)

1. Criminal Proceedings

Nil

2. Outstanding actions by regulatory and statutory authorities

Nil

3. Material Civil proceedings

Nil

IV. Litigation involving our Directors

1. Criminal Proceedings

Nil

2. Outstanding actions by regulatory and statutory authorities

Nil

3. Material Civil proceedings

Nil

V. Litigation involving our Subsidiaries

Litigation filed against our Subsidiaries

1. Criminal Proceedings

Nil

2. *Outstanding actions by regulatory and statutory authorities*

Nil

3. Material Civil Proceedings

Nil

Litigation filed by our Subsidiaries

1. Criminal Proceedings

1. Techno Industries Private Limited V. Robin Thakur and CC 28538-2020 & CC 29033-2020

Techno Industries Private Limited ("**Complainant**") filed three separate complaints being CC/25556/2020, CC/28538/2020 and CC/29033/2020 under Section 138 of the Negotiable Instruments Act, 1881 ("**Act**"), before the Hon'ble Metropolitan Magistrate Court in Ahmedabad ("**Hon'ble Court**") against Robin Thakur ("**Accused**"). The first complaint was lodged on March 6, 2020, followed by two additional complaints on March 17, 2020. These complaints pertain to a legal notice issued by the Complainant on February 5, 2020, regarding dishonour of cheques amounting a total outstanding payment of ₹ 9,84,797/- (Rupees Nine Lakh Eighty-Four Thousand Seven Hundred Ninety-Seven) owed by the Accused. The case is currently pending, the next hearing is on April 23, 2025.

2. Techno Industries Private Limited V. Bhoot Enterprise and Anr.

Techno Industries Private Limited ("**Complainant**") filed a Statutory Complaint on September 11, 2020, bearing no. 49211/2020 under Section 138 and Section 142 of the Negotiable Instruments Act, 1881 ("**Act**") before the Hon'ble Court of Metropolitan Magistrate Negotiable Instrument, Ahmedabad ("**Hon'ble Court**") against Bhoot Enterprise ("**Defendant 1**") and Shri Mukesh Bhoot ("**Defendant 2**") (collectively "**Defendants**") regarding an outstanding liability of ₹ 7,33,865/- (Rupees Seven Lakh Thirty-Three Thousand Eight Hundred Sixty-Five) as on June 30, 2020. In response to this outstanding amount, the Defendant issued eight cheques, all of which were subsequently dishonored due to insufficient funds. Subsequently, the Complainant issued a notice dated July 23, 2020, which was served to the Defendant on August 17, 2020. The case is currently pending, and the next hearing is on July 16, 2025.

3. Techno Industries Private Limited V. M/s Sai Constructions and Ors.

Techno Industries Private Limited ("**Complainant**") filed a Criminal Case bearing no. 10364/2024 under Sections 138, 141 and 142 of the Negotiable Instruments Act, 1881 ("**Act**"), before the Hon'ble Court of the Chief Judicial Magistrate, Ahmedabad ("**Hon'ble Court**") against M/s Sai Constructions Limited ("**Accused 1**"), Rajan Parshotam Gupta ("**Accused 2**"), and Rajesh Parshotam Gupta ("**Accused 3**") (collectively "**Accused**"). The complainant issued a legal notice dated December 15, 2023, post dishonour of a cheque issued by the Accused regarding an outstanding liability amounting to ₹ 29,25,971/- (Rupees Twenty-Nine Lakh, Twenty-Five Thousand, Nine Hundred Seventy-One), payable by the Accused. The case is currently pending, and the next hearing is on June 06, 2025.

4. Techno Industries Private Limited V. Abhishek Enterprise and Anr.

Techno Industries Private Limited ("**Complainant**") has filed a Criminal Case bearing no. 7755/2023 under Sections 138, 141, and 142 of the Negotiable Instruments Act, 1881, ("**Act**") before the Hon'ble Court of the Chief Judicial Magistrate Ahmedabad ("**Hon'ble Court**") against Abhishek Enterprise ("**Accused 1**") and Mr. Gomati Prasad Mishra ("**Accused 2**") (collectively "**Accused**"). Post dishonour of cheque, the Complainant issued a legal notice dated September 18, 2023, regarding an outstanding liability amounting to ₹1,35,755/- (Rupees One Lakh Thirty-Five Thousand Seven Hundred Fifty-Five) payable by the Accused. The case is currently pending, and the next hearing is on April 19, 2025.

5. Techno Industries Private Limited V. Jay Yogeshwar Submersible Pumps Sales and Services and Anr.

Techno Industries Private Limited ("**Complainant**") filed a Criminal Case bearing no. 2034/2024 under Section 138, 141 and 142 of the Negotiable Instruments Act, 1881 ("**Act**") before the Hon'ble Chief Judicial Magistrate Court of Ahmedabad ("**Hon'ble Court**") against Jay Yogeshwar Submersible Pumps Sales and Services ("**Accused 1**") and Mr. Ankurbhai Babulal Patel ("**Accused 2**") (collectively "**Accused**"). The Complainant had longstanding business relations with the Accused, who had an outstanding balance of ₹6,50,000/- (Rupees Six Lakh Fifty Thousand) due for over three months. In response to the Complainant's reminders, the Accused issued three cheques amounting to ₹6,50,000/- (two cheques of ₹2,00,000/- each and one cheque of ₹2,50,000/-) as partial payment, which on presentation were dishonored due to insufficient funds on September 6, 2023, and September 8, 2023 respectively. The Complainant issued a legal notice on September 19, 2023, demanding payment which was duly served to the Accused on September 22, 2023. The case is currently pending, and the next hearing is on April 25, 2025.

6. Techno Industries Private Limited V. Gurukrupa Infrastructure and Anr.

Techno Industries Private Limited ("**Complainant**") has filed a Criminal Case bearing no. 3322/2023 under Sections 138, 141, and 142 of the Negotiable Instruments Act, 1881 ("**Act**"), before the Hon'ble Court of the Chief Judicial Magistrate Ahmedabad ("**Hon'ble Court**") against Gurukrupa Infrastructure ("**Accused 1**") and Mr. Viral P Trivedi ("**Accused 2**") (collectively "**Accused**"). Post dishonour of cheque, the Complainant issued a legal notice dated December 28, 2022, regarding an outstanding

liability amounting to ₹2,92,250/- (Rupees Two Lakh Ninety-Two Thousand Two Hundred Fifty) payable by the Accused. The case is currently pending, and the next hearing is on May 23, 2025.

7. Techno Industries Private Limited V. Elevoxc Elevator Private Limited and Anr.

Techno Industries Private Limited ("**Petitioner**") filed a criminal complaint being CC/275/2025 under Section 138 of the Negotiable Instruments Act, 1881 ("**Act**"), before the Hon'ble Additional Chief Judicial Magistrate Court in Ahmedabad ("**Hon'ble Court**") against Elevoxc Elevator Private Limited ("**Respondent No. 1**"), Mohammed Sanwar Hussain ("**Respondent No. 2**") and Shiraj Hussain Director ("**Respondent No. 3**") who are directors in Elevoxc Elevator Private Limited. Respondent No. 2 and 3 contacted the complainant regarding purchase of elevator and its related accessories from Petitioner company. Pursuant to this, Petitioner company had sent the goods to Respondent No. 1 company. The two cheques of ₹ 10,00,000 (Rupees Ten Lakhs) each which was issued by Respondent no. 3 in favour of Petitioner got dishonoured on November 14, 2024 and November 15, 2024, respectively. Criminal case was lodged on January 9, 2025 pertaining to a legal notice issued by the Petitioner on November 30, 2024, for dishonour of cheques amounting ₹ 20,00,000/- (Rupees Twenty Lakhs) owed by all the Respondents. Hon'ble Court issued summons in favour of all the Respondents on January 29, 2025, to appear in person or by pleader. The case is currently pending, the next date hearing is May 15, 2025.

2. Outstanding actions by regulatory and statutory authorities

Nil

3. Material Civil Proceedings

1. Techno Industries Private Limited V. IIC Limited & Ors. and in the connected matter ARB. P. 634/2021 of 2021

Techno Industries Private Limited (the "**Petitioner/Claimant**") filed two arbitration petitions bearing no. ARB. P. 633/2021 and ARB. P. 634/2021 dated June 1, 2021 under Section 11(6) of the Arbitration and Conciliation Act, 1996 as amended by the Arbitration and Conciliation (Amendment) Act, 2015 (the "**Act**"), before the Delhi High Court (the "**Hon'ble Court**") against IIC Limited (formerly Indiabulls Infrastructure Company Limited, "**Respondent 1**"), Rattan India Power Ltd. (formerly Indiabulls Power Ltd., "**Respondent 2**"), and Rattan India Nasik Power Ltd. (formerly Indiabulls Realtech Ltd., "**Respondent 3**") (collectively "**Respondents**") regarding two different projects. These petitions were submitted following the Claimant's notice dated March 8, 2021, which invoked arbitration under Section 21 of the Act, alleging breach of two different contracts dated March 3, 2011, and March 1, 2011. The Respondents contested that they were non-signatories to the agreement. However, the Hon'ble Court on January 17, 2022, in ARB. P. 634/2021, prima facie concluded that Respondent 2 and Respondent 3 were indeed bound by the contract and directed to participate in the arbitration proceeding. Further, the Hon'ble Court on March 15, 2022 appointed Mr. Ramesh Singh, Senior Advocate as the Sole Arbitrator for these matters. The Sole Arbitrator issued an award dated July 31, 2024, in favor of the Claimant, requiring the Respondent 2 to pay ₹80,42,049/- (Rupees Eighty Lakhs Forty-Two thousand forty-nine only) related to an advance bank guarantee that was allegedly forfeited by Respondent 2. The award was issued in favor of the claimant as per the order dated July 31, 2024. In response, Respondent No. 1 has filed a petition (OMP(COMM) 34/2024) before the District Court, Saket, Delhi. To that effect, we have filed a V.P against this petition. The next hearing is scheduled for May 16, 2025.

2. Techno Industries Private Limited V. Apco Autosales Private Limited & Anr.

Techno Industries Private Limited ("**Plaintiff**") filed a Commercial Civil Suit bearing no. 3437/2021 under Order 37 Rules 1 & 2 of the Civil Procedure Code ("**Code**") before the City Civil Court of Ahmedabad ("**Hon'ble Court**") against Apco Autosales Private Limited ("**Defendant 1**") and its Director, Mr. Mehulbhai ("**Defendant 2**") (collectively "**Defendants**") following a legal notice dated July 3, 2020 issued by Plaintiff demanding payment of an outstanding amount of ₹ 5,77,000/- (Rupees Five Lakh Seventy-Seven Thousand) which related to a contract for supply and installation of an elevator. Subsequently, the Plaintiff filed an Application under Order XXXVIII, Rule 5 of the Code, seeking interim relief through the attachment of the Defendants' property on the ground that the Defendants are

trying to sell the property where they were residing. The matter is currently pending, and the next hearing date is May 26, 2025.

4. ***Tax Proceedings of Techno***

(₹ in lakhs)

Particulars	Number of Cases	Aggregate amount involved to the extent ascertainable
Direct Tax	2	276.31
Indirect Tax	1	37.78
Total	3	314.09

GOVERNMENT AND OTHER STATUTORY APPROVALS

We are not required to obtain any licenses or approvals from any governmental and regulatory authorities in relation to the objects of this Issue. For further details, refer to "***Objects of the Issue***" beginning on page 76.

MATERIAL DEVELOPMENTS

No material developments have occurred since the date of the last balance sheet i.e., March 31, 2024, which materially or adversely affect or are likely to affect: (a) the operations or the profitability of the Company; or (b) the value of its assets; or (c) its ability to pay its liabilities in the next 12 months; or (d) its performance and prospects, except as disclosed in the section "***Management's Discussion and Analysis of Financial Condition and Results of Operations -Significant Developments***" on page 302.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Board, pursuant to its resolution dated July 30, 2024, authorized the Issue under Section 62(1)(a) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.

The Letter of Offer was approved by our Board pursuant to its resolution dated November 14, 2024. The terms and conditions of the Issue including the Rights Entitlement, Issue Price, Record Date, timing of the Issue and other related matters, have been approved by a resolution passed by our Board at its meeting held on April 17, 2025. This Letter of Offer was approved by our Board/Securities Issue Committee at its meeting held on April 19, 2025.

Our Board/Securities Issue Committee, in its meeting held on April 17, 2025 has resolved to issue the Rights Equity Shares to the Eligible Equity Shareholders, at ₹ 32 per Rights Equity Share (including a premium of ₹ 31 per Rights Equity Share) aggregating upto ₹ Lakhs 98,725.59* and the Rights Entitlement as 9 Rights Equity Share(s) for every 34 fully paid-up Equity Share(s), held as on the Record Date. The Issue Price is ₹ 32 per Rights Equity Share and has been arrived at by our Company in consultation with the Lead Manager prior to determination of the Record Date. On Application, Investors will have to pay ₹ 16 (50% of the Issue Price) per Rights Equity Share. The balance amount (after payment of the Application Money), ₹ 16 (50% of the Issue Price) per Rights Equity Share, will be payable by the Rights Equity Shareholders in not more than two Calls, with terms and conditions such as the number of Calls and the timing and quantum of each Call as may be decided by our Board/ Securities Issue Committee from time to time, to be completed on or prior to March 31, 2026, pursuant to the Payment Schedule.

**Assuming full subscription in the Issue, Allotment and receipt of all Call Monies with respect to the Right Equity Shares.*

Our Company has received in-principle approvals from BSE and NSE in accordance with Regulation 28(1) of the SEBI LODR Regulations for listing of the Rights Equity Shares to be allotted in this Issue pursuant to their respective letters each dated December 05, 2024 and January 02, 2025, respectively. Our Company will also make applications to BSE and NSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI ICDR Master Circular.

Our Company has been allotted the ISIN INE093R20029 for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. For details, see "***Terms of the Issue***" beginning on page 362 of this Letter of Offer.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of our Promoter Group and persons in control of our Company have not been prohibited or debarred from accessing the capital market or debarred / restrained from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Letter of Offer.

Further, our Promoters and our Directors are not promoter(s) or director(s) of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.
None of our Directors or Promoters are associated with the securities market in any manner. Further, there is no outstanding action initiated against any of our Directors or Promoters by SEBI in the five years preceding the date of filing of this Letter of Offer.

Neither our Promoters nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

Prohibition by RBI

Neither our Company, nor our Promoters, and Directors have been categorized or identified as wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoters and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, as amended, to the extent applicable, as at the date of this Letter of Offer.

Eligibility for the Issue

Our Company is a listed company, incorporated under Companies Act, 1956. The Equity Shares of our Company are presently listed on BSE and NSE. Our Company is eligible to undertake the Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI of the SEBI ICDR Regulations.

Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application to the Stock Exchanges for listing of the Rights Equity Shares to be issued pursuant to the Issue. BSE is the Designated Stock Exchange for the Issue.

Compliance with Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the SEBI Listing Regulations, as applicable for the last one year immediately preceding the date of filing of this Letter of Offer with the SEBI and Designated Stock Exchanges;
2. The reports, statements and information referred to above in clause (1) are available on the websites of the BSE and NSE; and
3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board our Directors as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

Non-applicability of conditions precedent under Clause (3) of Part B of schedule VI of the SEBI ICDR Regulations

1. Although our Company's management has undergone a change pursuant to acquisition of control in accordance with the provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 or the SEBI Takeover Regulations, as applicable, our Company is not making a rights issue of specified securities for the first time subsequent to such change. Our Company had previously made a rights issue of 6,34,64,610 Equity Shares aggregating up to ₹9,837.01 Lakhs through a Letter of Offer dated December 09, 2023. Further, a period of 3 years has lapsed since such change in control; and;

2. Although our Company has been listed consequent to the relaxation granted by SEBI under sub-rule (7) of Rule 19 of the SCRR for listing of its specified securities pursuant to a scheme sanctioned by a High Court under Sections 391 to 394 of the Companies Act, 1956 or approved by a tribunal under Sections 230 to 234 of the Companies Act, as applicable. Our Company is not making a rights issue of specified securities for the first time subsequent to any such listing. Our Company had previously made a rights issue of 6,34,64,610 Equity Shares aggregating up to ₹9,837.01 Lakhs through a letter of offer dated December 09, 2023.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations and is not covered under the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations, the disclosures in the letter of offer have been made in terms of Clause (4) of Part B of Schedule VI of SEBI ICDR Regulations.

Lead Manager confirms that:

1. there are no other agreements / arrangements and clauses / covenants which are material, and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in the offer document.

2. that there are no findings/observations of any of the inspections by SEBI or any other regulator which are material, and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in the offer document.

3. there is no conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations of the company) and the company, Promoter, Promoter Group, Key Managerial Personnel, Directors and subsidiaries / Group Company and its directors, the same should be disclosed at all the relevant sections of the offer document.

4. there is no material clause of Article of Association that have been left out from disclosure having bearing on the Letter of Offer.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THE DRAFT LETTER OF OFFER TO SEBI SHOULD NOT, IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. THE LEAD MANAGER, MARK CORPORATE ADVISORS PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE LETTER OF OFFER, THE LEAD MANAGER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 14, 2024, WHICH READS AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT LETTER OF OFFER PERTAINING TO THE ISSUE;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:**

a) THIS DRAFT LETTER OF OFFER FILED WITH THE SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;

b) ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS SPECIFIED BY THE SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

c) THE MATERIAL DISCLOSURES MADE IN THE DRAFT LETTER OF OFFER ARE TRUE AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, SEBI ICDR REGULATIONS AND OTHER APPLICABLE LEGAL REQUIREMENTS.

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THIS DRAFT LETTER OF OFFER ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID – COMPLIED WITH**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – NOT APPLICABLE**

5. **WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THIS DRAFT LETTER OF OFFER WITH THE SEBI TILLTHE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT LETTER OF OFFER – NOT APPLICABLE**

6. **ALL APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS, WHICH RELATE TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTER'S CONTRIBUTION, HAVE BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION(S) HAVE BEEN MADE IN THE LETTER OF OFFER. – NOT APPLICABLE**

7. **ALL APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS WHICH RELATE TO RECEIPT OF PROMOTER'S CONTRIBUTION PRIOR TO OPENING OF THE ISSUE, SHALL BE COMPLIED WITH. ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTER'S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THAT THE AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTER'S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE ISSUE. – NOT APPLICABLE**

8. **NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONIES RECEIVED PURSUANT TO THE ISSUE ARE CREDITED/TRANSFERRED IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONIES SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES, AND THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. – COMPLIED WITH AND NOTED FOR COMPLIANCE**

9. **THE EXISTING BUSINESS AS WELL AS ANY NEW BUSINESS OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED FALL WITHIN THE "MAIN OBJECTS" IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED IN LAST TEN YEARS ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION -- COMPLIED WITH TO THE EXTENT APPLICABLE**

10. **FOLLOWING DISCLOSURES HAVE BEEN MADE IN THIS LETTER OF OFFER:**

    a) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY, EXCLUDING SUPERIOR EQUITY SHARES, WHERE THE COMPANY HAS OUTSTANDING EQUITY SHARES WITH SUPERIOR RIGHTS. – COMPLIED WITH (AS ON THE DATE OF THIS LETTER OF OFFER, OUR COMPANY HAS NOT ISSUED ANY SUPERIOR RIGHTS EQUITY SHARES) ; AND

    b) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH ALL SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME – COMPLIED WITH

11. **WE SHALL COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI ICDR REGULATIONS – NOTED FOR COMPLIANCE**

12. **IF APPLICABLE, THE COMPANY IS ELIGIBLE TO LIST ON THE INNOVATORS GROWTH PLATFORM IN TERMS OF THE PROVISIONS OF CHAPTER X OF THE SEBI ICDR REGULATIONS – NOT APPLICABLE**

13. **NONE OF THE INTERMEDIARIES NAMED IN THIS DRAFT LETTER OF OFFER HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY. COMPLIED WITH**

14. **THE ABRIDGED LETTER OF OFFER CONTAINS ALL DISCLOSURES AS SPECIFIED IN THE SEBI ICDR REGULATIONS. COMPLIED WITH**

15. **ALL MATERIAL DISCLOSURES IN RESPECT OF THE COMPANY HAVE BEEN MADE IN THIS LETTER OF OFFER AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE COMPANY OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN. COMPLIED WITH AND NOTED FOR COMPLIANCE**

16. **AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE COMPANY. COMPLIED WITH**

WE ENCLOSE A NOTE EXPLAINING THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US IN RELATION TO THE BUSINESS OF THE ISSUER, THE RISKS IN RELATION TO THE BUSINESS, EXPERIENCE OF THE PROMOTERS AND THAT THE RELATED PARTY TRANSACTIONS ENTERED INTO FOR THE PERIOD DISCLOSED IN THE OFFER DOCUMENT HAVE BEEN ENTERED INTO BY THE ISSUER IN ACCORDANCE WITH APPLICABLE LAWS - COMPLIED WITH.

WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS, AS AMENDED, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE,

PAGE NUMBER OF THE DRAFT LETTER OF OFFER WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. - COMPLIED WITH.

THE FILING OF DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE LETTER OF OFFER.

Disclaimer clauses from our Company and the Lead Manager

Our Company and the Lead Manager accepts no responsibility for statements made otherwise than in this letter of offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be doing so at his own risk.

Investors who invest in the Issue will be deemed to have represented to our Company, the Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Rights Equity Shares, and are relying on independent advice / evaluation as to their ability and quantum of investment in the Issue.

CAUTION

Our Company and the Lead Manager shall make all information available to the Eligible Equity Shareholders in accordance with the SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Letter of Offer. You must not rely on any unauthorized information or representations. This letter of offer is an offer to sell only the Rights Equity Shares and Rights to purchase the Rights Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this letter of offer is current only as of its date.

Our Company, the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any Applicant on whether such Applicant is eligible to acquire any Rights Equity Shares.

The Lead Manager and their respective affiliates may engage in transactions with and perform services for our Company or our affiliates in the ordinary course of business and have engaged, or may in the future engage, in transactions with our Company or our affiliates, for which they have received and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

This letter of offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, Maharashtra, India only.

Disclaimer Clause of the BSE

"BSE Limited ("the Exchange") has given vide its letter dated December OS, 2024, permission to this Company to use the Exchange's name in this letter of offer as the stock exchange on which this Company's securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- Warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer; or

- Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
- Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this letter of offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever"

Disclaimer Clause of NSE

"As required, a copy of this letter of offer has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref. No. NSE/LIST/45265 dated January 02, 2025 permission to the Issuer to use the Exchange's name in this letter of offer as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer.

It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the letter of offer has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

Designated Stock Exchange

The Designated Stock Exchange for the purposes of the Issue is BSE.

Listing

The Rights Equity Shares offered through the letter of offer are proposed to be listed on BSE and NSE. Our Company will apply to BSE and NSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. BSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalized.

Consents

Consents in writing of each of our Directors, the Registrar to the Issue, the Lead Manager, Legal Advisor to Issue, the Statutory Auditor, Independent Chartered Accountants, Monitoring Agency, CRISIL MI&A, the Banker(s) to the Issue] to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Letter of Offer.

Filing

This letter of offer is being filed with the Stock Exchanges and SEBI, as per the provisions of the SEBI ICDR Regulations. Further, in terms of the SEBI ICDR Regulations, our Company will, simultaneously while filing this letter of offer with the Designated Stock Exchange, being BSE, do an online filing with SEBI through the SEBI intermediary portal at https://siportal.sebi.gov.in in terms of the circular (No. SEBI/HO/CFD/DIL1/CIR/P/2018/011) dated January 19, 2018, issued by SEBI. Further, in light of the SEBI notification dated March 27, 2020, our Company will submit a copy of this letter of offer to the email address:

cfddil@sebi.gov.in.

Mechanism for Redressal of Investor Grievances

Our Company has adequate arrangements for redressal of investor grievances in compliance with the corporate governance requirements in compliance with the Listing Agreements and the SEBI LODR Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 03, 2011, and shall comply with the SEBI circular no. SEBI/HO/OIAE/CIR/P/2023/156 dated September 20, 2023 and any other circulars issued in this regard. Consequently, investor grievances are also tracked online by our Company through SCORES mechanism.

Our Company has a Stakeholders' Relationship Committee which meets at least once every year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. Bigshare Services Private Limited is our Registrar and Share Transfer Agent. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Investor complaints are received by our Company on a case-to-case basis, i.e. grievances are being received on the Company's email address and are typically disposed of in a timely manner from the date of receipt of the complaint.

Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see "*Terms of the Issue*" beginning on page 362 **of this Letter of Offer. The contact details of Registrar to the Issue and our Company Secretary and Compliance Officer are as follows:**

Registrar to the Company:

Bigshare Services Private Limited
Office No S6-2, 6th Floor
Pinnacle Business Park
Next to Ahura Centre, Mahakali Caves Road
Andheri (East), Mumbai 400 093
Telephone: +91 22 6263 8200/22
Email: rightsissue@bigshareonline.com
Investor grievance e-mail: investor@bigshareonline.com
Contact Person: Suraj Gupta
Website: www.bigshareonline.com
SEBI Registration No.: INR000001385

Investors may contact the Company Secretary and Compliance Officer at the below mentioned address for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment / share certificates/ demat credit/ Refund Orders etc.

Rahima Shaikh is the Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder:

Plot No. A-5/5, MIDC Industrial Area
Murbad Road, Thane 421401
Telephone: +91 022 62918111
E- mail: infoengg@lloyds.in

SECTION VIII – ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make an independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and this Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, Investors proposing to apply in this Issue can apply only through ASBA or any other mode which may be notified by SEBI.

OVERVIEW

This Issue is proposed to be undertaken on a rights basis and is subject to the terms and conditions contained in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, the FEMA, the FEMA Rules, the SEBI ICDR Regulations, the SEBI LODR Regulations, the SEBI ICDR Master Circular and the guidelines, notifications, circulars and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with Stock Exchanges and the terms and conditions as stipulated in the Allotment Advice.

Please note that our Company has opened a separate demat escrow account (namely, "M/S. LLOYDS ENGINEERING WORKS LIMITED - RIGHTS ISSUE ESCROW ENTITLEMENT DEMAT ACCOUNT ") ("Demat Escrow Account") and would credit Rights Entitlements on the basis of the Equity Shares: (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.. Please also note that our Company has credited Rights Entitlements to the Demat Escrow Account on the basis of information available with our Company and to serve the interest of relevant Eligible Equity Shareholders to provide them with a reasonable opportunity to participate in the Issue. The credit of the Rights Entitlements to the Demat Escrow Account by our Company does not create any right in favour of the relevant Eligible Equity Shareholders for transfer of Rights Entitlement to their demat account or to receive any Equity Shares in the Issue.

With respect to the Rights Entitlements credited to the Demat Escrow Account, the Eligible Equity Shareholders are requested to provide relevant details (such as applicable regulatory approvals, self-attested PAN and client master sheet of demat account, details/ records confirming the legal and beneficial ownership of their respective Equity Shares, etc.) to our Company or the Registrar no later than two Working Days prior to the Issue Closing Date, i.e., by Wednesday, May 28, 2025, to enable credit of their Rights Entitlements by way of transfer from the Demat Escrow Account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer. In the event that the Eligible Equity Shareholders are not able to provide relevant details to our Company or the Registrar by the end of two Working Days prior to the Issue Closing Date, Rights Entitlements credited to the Demat Escrow Account shall lapse and extinguish in due course and such Eligible Equity Shareholder shall not have any claim against our Company and our Company shall not be liable to any such Eligible Equity Shareholder in any form or manner.

Further, with respect to Equity Shares for which Rights Entitlements are being credited to the Demat Escrow Account, the Application Form along with the Rights Entitlement Letter shall not be dispatched till the resolution of the relevant issue/concern and transfer of the Rights Entitlements from the Demat Escrow Account to the respective demat account other than in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date who will receive the Application Form along with the Rights Entitlement Letter. Upon submission of such documents /records no later than two Working Days prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Equity Shares to the identified Eligible Equity Shareholder. The identified Eligible Equity Shareholder shall be entitled to subscribe to Equity Shares pursuant to the Issue during the Issue Period with respect to these Rights Entitlement and subject to the same terms and conditions as the Eligible Equity Shareholder.

I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations, SEBI ICDR Master Circular and the ASBA Circulars, our Company will send/dispatch at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Entitlement Letter, Application Form and other issue material ('Issue Materials') only to the Eligible Shareholders who have provided an India address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Right Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the India addresses provided by them.

Further, the letter of offer will be sent/dispatched, by the Registrar to the Issue on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses and have made a request in this regard.

Investors can also access this Letter of Offer, the Abridged letter of offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- Our Company at www.lloydsengg.in;
- the Registrar to the Issue at www.bigshareonline.com;
- the Lead Manager at https://www.markcorporateadvisors.com/
- Securities and Exchange Board of India at www.sebi.gov.in; and
- the Stock Exchange at https://www.bseindia.com and https://www.nseindia.com.

To update the respective Indian addresses/e-mail addresses/phone or mobile numbers in the records maintained by the Registrar or by our Company, Eligible Equity Shareholders should visit www.bigshareonline.com

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (*i.e www.bigshareonline.com*) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company at https://www.lloydsengg.in/

Further, our Company along with the Lead Manager will undertake all adequate steps to reach out the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for not sending the physical copies of Issue Materials, including this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of

this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

Resident Eligible Shareholders, who are holding Equity Shares in physical form as on the Record Date, can obtain details of their respective Rights Entitlements from the website of the Registrar by entering their Folio Number and such other credentials for validation of the identity of the shareholder, as may be required.

The distribution of the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that this letter of offer is being filed with SEBI and the Stock Exchanges. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with the Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of this Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send this Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates or the Lead Manager or their respective affiliates to any filing or registration requirement (other than in India). If this the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates or the Lead Manager or their respective affiliates to make any filing or registration (other than in India).

Our Company is undertaking the Issue on a rights basis to the Eligible Equity Shareholders and will send the Letter of Offer, Abridged Letter of Offer, the Application Form and other applicable Issue materials primarily to email addresses of Eligible Equity Shareholders who have provided an Indian Address to our Company along with valid e-mail addresses.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. ACCORDINGLY, THE RIGHTS ENTITLEMENTS (INCLUDING THEIR CREDIT) AND THE RIGHTS EQUITY SHARES ARE ONLY BEING OFFERED AND SOLD OUTSIDE

THE UNITED STATES IN "OFFSHORE TRANSACTIONS" AS DEFINED IN AND IN RELIANCE ON REGULATION S UNDER THE U.S. SECURITIES ACT AND THE APPLICABLE LAWS OF THE JURISDICTION WHERE THOSE OFFERS AND SALES OCCUR.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. No Application Form should be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under the letter of offer or where any action would be required to be taken to permit the Issue. Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch the letter of offer or the Abridged letter of offer and Application Form only to Eligible Equity Shareholders who have provided an Indian address to our Company.

Any person who acquires Rights Entitlements or Rights Equity Shares will be deemed to have represented, warranted and agreed, by accepting the delivery of this Letter of Offer, that it is not and that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it will not be, in the United States and is authorized to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company, in consultation with the Lead Manager, reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions ; (ii) does not include the relevant certifications set out in the Application Form, including that such person is submitting and/ or renouncing the Application Form is outside the United States and such person is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with the Issue, among others; or (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements, including in the United States; and our Company shall not be bound to issue or Allot any Rights Equity Shares in respect of any such Application Form.

II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI ICDR Master Circular and the ASBA Circulars, all Investors desiring to make an Application in the Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in the Issue basis the Rights Entitlement credited in their respective demat accounts.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account. Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein that the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Applicants should carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, see "*Grounds for Technical Rejection*" on page 372. Our Company, the Lead Manager, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in the Issue by making plain paper application. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in the Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see "***Terms of the Issue- Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process***" on page 368 of this Letter of Offer.

- ***Options available to the Eligible Equity Shareholders***

The rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to in the Issue.
If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

(i) Apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
(ii) Apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
(iii) apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
(iv) apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares; or
(v) renounce its Rights Entitlements in full.

- ***Making of an Application through the ASBA process***

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.
Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, please refer to Paragraph titled "***Procedure for Application through the ASBA process***" beginning on page 373 of this Letter of Offer.

Please note that subject to SCSBs complying with the requirements of SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used

solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

The Lead Manager, our Company, their directors, their employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

Do's for Investors applying through ASBA

(a) Ensure that the necessary details are filled in the Application Form including the details of the ASBA
Account.

(b) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct
and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.

(c) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.

(d) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB

(e) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.

(f) Ensure that you have a bank account with SCSBs providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.

(g) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.

(h) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

(i) Ensure that your PAN is linked with Aadhaar, and you are in compliance with CBDT notification dated Feb 13, 2020, read with press release dated June 25, 2021, September 17, 2021, March 30, 2022, and March 28, 2023.

Don'ts for Investors applying through ASBA

a) Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.

b) Do not apply if you have not provided an Indian address.

c) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.

d) Do not send your physical Application to the Lead Manager, the Registrar, the Banker to the Issue (assuming that such Banker to the Issue are not SCSB's), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.

e) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.

f) Do not submit Application Form using third party ASBA account.

g) Avoiding applying on the Issue Closing Date due to risk of delay/restriction in making any physical Application.

h) Do not submit Multiple Application Forms.

- ***Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process***

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to the Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an application to subscribe to the Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchanges or the Lead Manager. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorizing such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Lloyds Engineering Works Limited;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Folio number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;
4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue;
5. Number of Equity Shares held as on Record Date;
6. Allotment option – only dematerialised form;
7. Number of Rights Equity Shares entitled to;
8. Number of Rights Equity Shares applied for within the Rights Entitlements;
9. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10. Total number of Rights Equity Shares applied for;
11. Total amount paid at the rate of ₹ 32 per Rights Equity Share;
12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address,
14. Authorization to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
16. All such Eligible Equity Shareholders shall be deemed to have made the representations, warranties and agreements set forth in "*Restrictions on Purchases and Resales*" on page 395, and shall include the following:

"*I/We understand that neither the Rights Entitlement nor the Rights Equity Shares have been, and will be, registered under the United States Securities Act of 1933, as amended ("US Securities Act") or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof ("United States") or to, or for the account or benefit of a United States person as defined in the Regulation S of the US Securities Act ("Regulation S"). I/ we understand the Rights Equity Shares referred to in this application are being offered in India but not in the United States. I/ we understand the offering to which this application relates is not, and*

under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand this application should not be forwarded to or transmitted in or to the United States at any time. I/ we confirm that I/ we are not in the United States and understand that neither us, nor the Registrar, or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, or any other person acting on behalf of us have reason to believe is a resident of the United States "U.S. Person" (as defined in Regulation S) or is ineligible to participate in the Issue under the securities laws of their jurisdiction.

"*I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the* type *subscribed for herein imposed by the jurisdiction of our residence.*

I/ We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States or a Qualified Institutional Buyer (as defined in the US Securities Act), and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S or in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act.

I/ We hereby make representations, warranties and agreements set forth herein.

I/We acknowledge that the Company, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties and agreements set forth therein."

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at *www.bigshareonline.com*

Our Company, the Lead Manager and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

- ***Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form***

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and/or whose demat account details are not available with our Company or the Registrar, shall be credited in the Demat Escrow Account.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

(a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;

(b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;

(c) The remaining procedure for Application shall be same as set out in the section entitled "***Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process***" on page 368.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed to renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the Demat Escrow Account to the respective demat accounts within prescribed timelines, can apply for Additional Rights Equity Shares while submitting the Application through ASBA process.

Application for Additional Rights Equity Shares

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered, and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in the section entitled "***Basis of Allotment***" on page 385.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares unless regulatory approvals are submitted.

Additional general instructions for Investors in relation to making of an Application

(a) Please read this Letter of Offer carefully to understand the Application process and applicable settlement process.

(b) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.

(c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section entitled "*Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*" on page 368.

(d) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

(e) Applications should not be submitted to the Banker to the Issue, our Company or the Registrar or the Lead Manager.

(f) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors

(g) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ("**Demographic Details**") are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. **The Allotment Advice and the intimation on unblocking of ASBA Account or refund (if any) would be mailed to the address of the Investor as per the Indian address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar or the Lead Manager shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.**

(h) By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

(i) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.

(j) Investors should provide correct DP ID and Client ID/ folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Manager, SCSBs or the Registrar will not be liable for any such rejections.

(k) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.

(l) All communication in connection with Application for the Rights Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to

our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.

(m) Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.

(n) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.

(o) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.

(p) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.

(q) Do not pay the Application Money in cash, by money order, pay order or postal order.

(r) Do not submit Multiple Applications.

(s) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply in this Issue as an incorporated non-resident must do so in accordance with the FDI Policy and the FEMA Rules, as amended.

(t) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 and press release dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023.

- ***Grounds for Technical Rejection***

Applications made in this Issue are liable to be rejected on the following grounds:

(a) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the registrar.

(b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.

(c) Sending an Application to our Company, the Lead Manager, Registrar, Banker to the Issue, to a branch of a SCSB which is not a Designated Branch of the SCSB.

(d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.

(e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders

(f) Account holder not signing the Application or declaration mentioned therein.

(g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.

(h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.

(i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).

(j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.

(k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.

(l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Letter of Offer.

(m) Physical Application Forms not duly signed by the sole or joint Investors, as applicable.

(n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.

(o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.

(p) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is outside the United States, and is eligible to subscribe for the Rights Equity Shares under applicable securities laws

and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

(q) Applications which have evidence of being executed or made in contravention of applicable securities laws.

(r) Application from Investors that are residing in U.S. address as per the depository records.

(s) Applicants not having the requisite approvals to make Application in the Issue.

Multiple Applications

In case where multiple Applications are made using same demat account in respect of the same Rights Entitlement, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors, and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Rights Equity Shares with/without using Additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Applications shall not be treated as multiple applications. For details, please refer to "***Investment by Mutual Funds***" beginning on page 375 of this Letter of Offer.

In cases where multiple Applications are submitted, including cases where an (a) Investor submits Application Forms along with a plain paper Application, or (b) multiple plain paper Applications, or (c) multiple applications through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected (other than multiple applications that may be submitted by any of the Promoters or members of the Promoter Group as described in "***Capital Structure – Intention and extent of participation by our Promoters and Promoter Group in the Issue***" beginning on page 71 of this Letter of Offer.

Procedure for Applications by certain categories of Investors

Investment by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions or restrictions as specified by SEBI and RBI in this regard. Further, the aggregate limit of all FPIs investments is up to the sectoral cap applicable to the sector in which our Company operates.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the GoI from time to time. The FPIs who wish to participate in the Issue are advised to use the ASBA Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, only Category I FPIs, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

1. such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
2. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

No investment under the FDI route will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Investment by Systemically Important Non-Banking Financial Companies (NBFC – SI)

In case of an application made by Systemically Important NBFCs registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45 –IA of the RBI Act, 1934 and (b) net worth certificates from its statutory auditors, or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Investment by AIFs, FVCIs, VCFs and FDI route

The SEBI (Venture Capital Funds) Regulations, 1996, as amended ("SEBI VCF Regulations") and the SEBI (Foreign Venture Capital Investor) Regulations, 2000, as amended ("SEBI FVCI Regulations") prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI (Alternative Investments Funds) Regulations, 2012 ("**SEBI AIF Regulations**") prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue.

Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations.

Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

Investment by NRIs

Investments by NRIs are governed by Rule 12 of FEMA Rules. Applications will not be accepted from NRIs in Restricted Jurisdictions.

NRIs may please note that only such Applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The NRIs who intend to make payment through NRO counts shall use the Application form meant for resident Indians and shall not use the Application forms meant for reserved category.

As per Rule 12 of the FEMA Rules read with Schedule III of the FEMA Rules, an NRI or OCI may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed

5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with Press Note 3 of 2020, the FDI Policy ("***Press Note***") has been recently amended to state that all investments by entities incorporated in a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government of India. It is not clear from the Press Note whether or not an issuance of the Right Shares to Restricted Investors will also require a prior approval of the Government of India, and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Investment by Mutual Funds

Applications made by asset management companies or custodians of Mutual Funds should clearly and specifically state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Last date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is May 30, 2025 , i.e., Issue Closing Date. Our Board/ Securities Issue Committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the letter of offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in "- ***Basis of Allotment***" on page 385.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

Withdrawal of Application

An Investor who has applied in the Issue may withdraw their application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, applying through ASBA facility, may withdraw their application post 5.00 p.m. (Indian Standard Time) on the Issue Closing Date.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board/Securities Issue Committee reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS

Rights Entitlements

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.bigshareonline.com) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.lloydsengg.in).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is INE093R20029. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat escrow account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Please note that if no valid Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before the Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. If a renouncee or purchaser of a Rights Entitlements does not apply for the Rights Equity Shares on or before the Issue Closing Date, such Rights Entitlement shall lapse and shall be extinguished after the Issue Closing Date, even if the renouncee or purchaser of the Rights Entitlement has paid money to acquire the Rights Entitlements. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from the market and the purchaser will lose the premium/amount paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an application to apply for Rights Equity Shares offered under the Issue for subscribing to the Rights Equity Shares offered under the Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e. www.bigshareonline.com). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only.

Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Resident Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat escrow account (namely, "M/S. LLOYDS ENGINEERING WORKS LIMITED - RIGHTS ISSUE ESCROW ENTITLEMENT DEMAT ACCOUNT ") opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, i.e., by Wednesday, May 28, 2025 to enable the credit of their Rights Entitlements by way of transfer from the demat escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in the Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

Renouncees

All rights or obligations of the Eligible Equity Shareholders in relation to Applications and refunds relating to the Issue shall, unless otherwise specified, apply to the Renouncee(s) as well.

Renunciation of Rights Entitlements

The Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off-market transfer. In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

Procedure for Renunciation of Rights Entitlements

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges (the "On Market Renunciation"); or (b) through an off-market transfer (the "Off Market Renunciation"), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited / lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stockbroker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Payment Schedule of Rights Equity Shares

₹ 32 per Rights Equity Share (including premium of ₹ 31 per Rights Equity Share) shall be payable as under:

Due Date	Face Value (₹)	Premium (₹)	Total (₹)
On Application	0.50	15.50	16.00*
Not more than two Calls, with terms and conditions such as the number of Calls and the timing and quantum of each Call as may be decided by our Board/ Securities Issue Committee from time to time to be completed on or prior to March 31, 2026	0.50	15.50	16.00**
Total (₹)	**1.00**	**31.00**	**32.00**

**Constitutes 50% of the Issue Price*
***Constitutes 50% of the Issue Price*

Rights Equity Shares in respect of which the Calls payable remains unpaid may be forfeited, after the due date for payment of the balance amount due in accordance with the Companies Act, 2013 and our Articles of Association.

The Lead Manager and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors

(a) On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stockbroker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN: INE093R20029 subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain approval from the Stock Exchanges for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from Thursday, May 15, 2025 to Tuesday, May 27, 2025 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stockbrokers by quoting the ISIN: INE093R20029 and indicating the details of the Rights Entitlements they intend to trade. The Investors can place orders for sale of Rights Entitlement only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE and NSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stockbroker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

(b) Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialized form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date to enable Renouncees to subscribe to the Rights Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN: INE093R20029, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off market transfer shall be as specified by the NSDL and CDSL from time to time.

V. MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through

ASBA facility.

In case of Application through the ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalization of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in the Issue.

Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility or internet banking. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Investors

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In cases where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income Tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
2. Subject to the above, in case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any, shall be credited to such account.
6. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

VI. BASIS FOR THE ISSUE AND TERMS OF THE ISSUE

The Rights Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement ratio, see "***The Issue***" beginning on page 62.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of 9 Equity Share(s) of face value ₹ 1 each for every 34 Fully Paid up Equity Share(s) of face value ₹ 1 each held on the Record Date. For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than 4 Equity Share(s) of face value ₹ 1 or not in the multiple of 4, the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored as above will be given preferential consideration for the allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their Rights Entitlement, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than 4 Equity Shares of face value ₹ 1 each shall have 'Zero' entitlement in this Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and would be given preference in the Allotment of 1 (one) Additional Equity Share, if such Eligible Equity Shareholders have applied for the additional Equity Shares. However, they cannot renounce the same to third parties. Application Forms with zero entitlement will be non-negotiable/non-renounceable.

Ranking

The Rights Equity Shares to be issued and allotted pursuant to the Issue shall be subject to the provisions of this Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and Memorandum of Association and the Articles of Association provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI LODR Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment Advice. The Rights Equity Shares to be issued and allotted pursuant to the Issue shall rank *pari passu* with the existing Equity Shares of our Company, in all respects including dividends. In respect of the Rights Equity Shares, Investors are entitled to dividend in proportion to the amount paid-up and their voting rights exercisable on a poll shall also be proportional to their respective share of the paid-up equity capital of our Company.

Listing and trading of the Rights Equity Shares to be issued pursuant to the Issue

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI (ICDR) Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary procedures for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI (ICDR) Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number LOD/RIGHT/TT/FIP/1459/2024-25 dated December 05, 2024 and from the NSE through letter bearing reference number NSE/LIST/45265 dated January 02, 2025. Our Company will apply to the Stock Exchanges for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade

after the listing thereof

For an applicable period, from the Call Record Date, the trading of the Rights Equity Shares would be suspended under the applicable law. The process of corporate action for crediting the fully paid-up Rights Equity Shares to the Investors' demat accounts may take such time as is customary or as prescribed under applicable law from the last date of payment of the amount under the Call notice for the final Call.

The existing Equity Shares of our Company are listed and traded under the ISIN: **INE093R01011** on BSE (Scrip Code: **539992**) and on NSE (Symbol: **LLOYDSENGG**). The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to the Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchanges, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within fifteen days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within fifteen days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

Subscription to the Issue by our Promoters and Promoter Group

For details of the intent and extent of the subscription by our Promoters and Promoter Group, please refer to "***Capital Structure – Intention and extent of participation by our Promoters and Promoter Group in the Issue***" beginning on page 71 of this Letter of Offer.

Rights of holders of Equity Shares

Subject to applicable laws, the Equity Shareholders who have been Allotted Rights Equity Shares pursuant to the Issue shall have the following rights:

- The right to receive dividend, if declared;
- The right to vote in person, or by proxy;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive surplus on liquidation;
- The right of free transferability of Equity Shares;
- The right to attend general meetings and exercise voting powers in accordance with law, unless prohibited/restricted by law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the Memorandum of Association and the Articles of Association.

VII. GENERAL TERMS OF THE ISSUE

Market Lot

The Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Equity Shares in dematerialized mode is one Equity Share.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to

hold such Equity Share as the joint holders with the benefit of survivorship subject to the provisions contained in the Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in the Issue.

Nomination

The nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment of Rights Equity Shares is in dematerialized form only, there is no need to make a separate nomination for the Rights Equity Shares to be Allotted in the Issue. Nominations registered with respective Depository Participant of the Investor would prevail. Any Investor holding Equity Shares in dematerialized form and desirous of changing the existing nomination is requested to inform its respective Depository Participant.

Arrangements for Disposal of Odd Lots

The Equity Shares shall be traded in dematerialized form only and, therefore, the marketable lot shall be one Equity Share and hence, no arrangements for disposal of odd lots are required.

Restrictions on transfer and transmission of shares and on their consolidation/splitting

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant this Issue. However, the Investors should note that pursuant to the provisions of the SEBI LODR Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be affected unless the securities are held in the dematerialized form with a depository.

Notices

In accordance with the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, this letter of offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided their Indian address and who have made a request in this regard.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and a Marathi language daily newspaper (Marathi being the regional language in the place where our Registered and Corporate Office is located).

This Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

Offer to Non-Resident Eligible Equity Shareholders/Investors

As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue Rights Equity Shares to non-resident shareholders including additional Rights Equity Shares. Further, as

per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by the RBI, non-residents may, amongst other things: (i) Subscribe for additional Equity Shares over and above their Rights Entitlements; (ii) Renounce the Equity Shares offered to them either in full or in part thereof in favour of a person named by them; or (iii) Apply for the Equity Shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlements Letters/ letters of Allotment/Allotment advice.

If a non-resident or NRI Investor has specific approval from RBI, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at Office No S6-2, 6th Floor, Pinnacle Business Park Next to Ahura Centre, Mahakali Caves Road Andheri (East), Mumbai 400 093. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Rights Equity Shares may be permitted under laws of such jurisdictions, Eligible Equity Shareholders can access this Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, the Lead Manager and the Stock Exchanges. Further, Application Forms will be made available at Registered and Corporate Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

Any non-resident shareholder who has applied in the Issue without submitting RBI approval and/or without providing Indian address, his/her application will be liable for rejection.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company and the Lead Manager.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar to the Issue and our Company by submitting their respective copies of self-attested proof of address, passport, etc. at https://www.bigshareonline.com

ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM.

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THE ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE "ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS" BEGINNING ON PAGE 386.

VIII. ISSUE SCHEDULE

Last date for credit of Rights Entitlements	Friday, May 02, 2025
Issue Opening Date	Thursday, May 15, 2025
Last date for On Market Renunciation*	Tuesday, May 27, 2025
Issue Closing Date	Friday, May 30, 2025
Finalization of Basis of Allotment (on or about)	Monday, June 09, 2025

Date of Allotment (on or about)	Tuesday, June 10, 2025
Date of credit (on or about)	Thursday, June 12, 2025
Date of listing (on or about)	Friday, June 20, 2025

Note: Our Board/Securities Issue Committee may, however, decide to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).
**Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date*
***Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*
Our Company, the Lead Manager and/or the Registrar to the Issue will not be liable for any loss on account of non-submission of Application Forms or on before the Issue Closing Date.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form, as applicable, as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, *i.e.*, Wednesday, May 28, 2025 to enable the credit of the Rights Entitlements by way of transfer from the demat escrow account to their respective demat accounts, at least one day before the Issue Closing Date, *i.e.*, Thursday, May 29, 2025.

If demat account details are not provided by the Eligible Equity Shareholders holding Equity Shares in physical form to the Registrar or our Company by the date mentioned above, such Shareholders will not be allotted any Rights Equity Shares, nor such Rights Equity Shares be kept in suspense account on behalf of such shareholder in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar, is active to facilitate the aforementioned transfer. Eligible Equity.

Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e. www.bigshareonline.com). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts. Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar (i.e. www.bigshareonline.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company.

IX. BASIS OF ALLOTMENT

Subject to the provisions contained in this Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter, the Articles of Association of our Company and the approval of the Designated Stock Exchange, our Board will proceed to allot the Rights Equity Shares in the following order of priority:

a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlement either in full or in part and also to the Renouncee(s) who has/have applied for Rights Equity Shares renounced in its/their favor, in full or in part.

b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.

c) Allotment to the Eligible Equity Shareholders who have applied for the full extent of their Rights Entitlement and have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares shall be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are unsubscribed Rights Equity Shares after making full Allotment under (a) and (b)

above. The Allotment of such Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.

d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour and also have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares shall be made on a proportionate basis in consultation with the Designated Stock Exchange, as part of the Issue and will not be a preferential allotment.

e) Allotment to any other person that our Board may deem fit provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the ASBA Investors who have been Allotted Rights Equity Shares in the Issue, along with:

a) The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA Application;
b) The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
c) The details of rejected ASBA Applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Banker to the Issue to refund such Applicants.

X. ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/dispatch Allotment Advice, refund intimations/instructions, if applicable or demat credit of securities and/or letters of regret, by e-mail or registered post or speed post, only to the Eligible Equity Shareholders who have provided Indian address; along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialized mode or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form, as applicable, on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are "officers in default" shall pay interest at such other rate as specified under applicable law from the expiry of such 15 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment Advice shall be sent, through a mail, to the Indian mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for Additional Rights Equity Shares in the Issue and is allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds/unblocking of fund beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

The allotment advice or refund order (if any) or unblocking advice would be sent by e-mail or registered post or speed post to the sole/ first Investor's address provided by the Eligible Equity Shareholders to our Company but the Applicant's Depository Participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account. Such refund orders would be payable at par at all places where the Applications were originally accepted. The same would be marked 'Account Payee only' and would be drawn in favor of the sole/ first Investor. Adequate funds would be made available to the Registrar for this purpose.

Payment Terms

₹ 32 per Rights Equity Share (including premium of ₹ 31 per Rights Equity Share) shall be payable as under:

Due Date	Face Value (₹)	Premium (₹)	Total (₹)
On Application	0.50	15.50	16.00*
Not more than two Calls, with terms and conditions such as the number of Calls and the timing and quantum of each Call as may be decided by our Board/ Securities Issue Committee from time to time to be completed on or prior to March 31, 2026	0.50	15.50	16.00**
Total (₹)	**1.00**	**31.00**	**32.00**

**Constitutes 50% of the Issue Price*
***Constitutes 50% of the Issue Price*

Rights Equity Shares in respect of which the Calls payable remains unpaid may be forfeited, after the due date for payment of the balance amount due in accordance with the Companies Act, 2013 and our Articles of Association.

Record date for Calls and suspension of trading

Our Company would fix a Call Record Date giving notice, in advance of such period as may be prescribed under Applicable law, to the Stock Exchanges for the purpose of determining the list of Rights Equity Shareholders to whom the notice for the Calls would be sent. Once the Call Record Date has been fixed, trading in the Rights Equity Shares for which the Call has been made may be suspended prior to the Call Record Date.

Procedure for Calls for Rights Equity Shares

Our Board or the Securities Issue Committee will pass the required resolutions for making the Calls and suitable intimation would be given by our Company to the Stock Exchanges. Further, advertisements for the same will be published in (i) one English national daily newspaper; (ii) one Hindi language national daily newspaper with wide circulation and (iii) Marathi language daily newspaper (Marathi being the regional language in the place where our Registered and Corporate Office is located).

Our Board or the Securities Issue Committee may determine the date on which the Calls shall be made and if no such date is determined then the Calls shall be deemed to have been made at the time when the resolution authorizing such Calls are passed at the meeting of our Board or Securities Issue Committee, as the case may be. The Calls may be revoked or postponed at the discretion of our Board or Securities Issue Committee. Our Board or Securities Issue Committee may make not more than two Calls, with terms and conditions such as the number of Calls and the timing and quantum of each Call as may be decided by our Board/ Securities Issue Committee from time to time to be completed on or prior to March 31, 2026. While our Company intends to complete the Calls on or prior to March 31, 2026, our Board or Securities Issue Committee, may at its sole discretion extend such timeline post March 31, 2026, pursuant to market and other applicable considerations. Pursuant to the provisions of the Articles of Association, the Investors would be given at least 15 days' notice for the payment of the Calls. Our Board or Securities Issue Committee may, from time to time at its discretion, extend the time fixed for the payments of the Calls. Our Company, at its sole discretion and as it may deem fit, may send one or more reminders for

the Calls, and if it does not receive the Call Money as per the timelines stipulated unless extended by our Board or Securities Issue Committee, the defaulting Rights Equity Shareholders will be liable to pay interest as may be fixed by our Board unless waived or our Company may forfeit such Rights Equity Shares in respect of which the Calls payable remains unpaid in accordance with the Companies Act, 2013 and our Articles of Association. Pursuant to the provisions of the Articles of Association, our Company will give at least 30 days' notice to the Rights Equity Shareholders to make the payment of the unpaid Call Monies (including interest accrued and expenses incurred due to such non-payment) before forfeiting such Rights Equity Shares.

Payment of Call Money

In accordance with the SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/238/2020 dated December 8, 2020 regarding additional payment mechanism (i.e. ASBA, etc.) for payment of balance money in calls for partly paid specified securities issued by the listed entity, the Investor may make payment of the Call Money using ASBA Mechanism through the Designated Branch of the SCSB or through online/electronic through the website of the SCSBs (if made available by such SCSB) by authorizing the SCSB to block an amount, equivalent to the amount payable on Call Money, in the Investor's ASBA Account. The Investor may also use the facility of linked online trading, demat and bank account (3-in-1 type account), if provided by their broker, for making payment of the Call Money.

Separate ISIN for Rights Equity Shares

In addition to the present ISIN for the existing Equity Shares, our Company would obtain a separate ISIN for the
Rights Equity Shares for each Call, until fully paid-up. The Rights Equity Shares offered under this Issue will be traded under a separate ISIN after each Call for the period as may be applicable under the rules and regulations prior to the record date for the final Call Notice. The ISIN representing the Rights Equity Shares will be terminated after the Call Record Date for the final Call. On payment of the final Call Money in respect of the Rights Equity Shares, such Rights Equity Shares would be fully paid-up and merged with the existing ISIN of our Equity Shares.

XI. PAYMENT OF REFUND

Mode of making refunds

In case of Applicants not eligible to make an application through ASBA process, the payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes:

(a) **Unblocking amounts blocked using ASBA facility-** The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through unblocking amounts blocked using ASBA facility**.**

(b) **NACH** – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including a Magnetic Ink Character Recognition ("**MICR**") code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

(c) **National Electronic Fund Transfer** ("**NEFT**") – Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code ("**IFSC Code**"), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine-digit MICR number and their bank account number with the Registrar to

our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

(d) **Direct Credit** – Investors having bank accounts with the Banker to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.

(e) **RTGS** – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Refund Bank for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.

(f) For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.

(g) Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

Refund payment to Non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES

The demat credit of securities to the respective beneficiary accounts or the demat suspense account (pending with IEPF authority/ in suspense, etc.) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Receipt of the Rights Equity Shares in Dematerialized Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO CLEAR WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE RESIDENT ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM, AS APPLICABLE, AS ON THE RECORD DATE, OR (C) DEMAT ESCROWACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES FORM/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/FAILED.

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form only. Our Company has signed two agreements with the respective Depositories and the Registrar to the Issue, which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates:

a) Tripartite Agreement between our Company, National Securities Depository Limited and the Registrar to the Company dated July 24, 2014.

b) Tripartite Agreement between our Company, Central Depository Service India Limited and the Registrar to the Company dated October 31, 2015.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES OF OUR COMPANY CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALISED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in the Issue in the electronic form is as under:

- Open a beneficiary account with any Depository Participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for each such holding. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
- It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
- The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's Depository Participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's Depository Participant.
- If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
- The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders whose Equity Shares are with IEPF authority/ in suspense, etc.). The allotment advice or refund order (if any) or unblocking advice would be sent by e-mail or registered post or speed post to the sole/ first Investor's address provided by the Eligible Equity Shareholders to our Company but the Applicant's Depository Participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
- Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in the Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.
- Non-transferable Allotment Advice/ refund orders will be sent directly to the Investors by the Registrar to the Issue.
- Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.

- Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, and who have not provided the details of their demat accounts to our Company or to the Registrar at least two Working Days prior to the Issue Closing Date, shall not be able to apply in this Issue.

XIII. IMPERSONATION

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

"*Any person who:*

i. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

ii. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

iii. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 10 lakhs or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. Where such fraud (i) involves an amount which is less than ₹ 10 lakhs or 1% of the turnover of the Company, whichever is

lower, and (ii) does not involve public interest, then such fraud is punishable with imprisonment for a term extending up to five years or fine of an amount extending up to ₹ 50 lakhs or with both.

Underwriting

The Issue is not underwritten.

Withdrawal of the Issue

Subject to provisions of the SEBI ICDR Regulations, the Companies Act and other applicable laws, Our Company, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date, a public notice within two (2) Working Days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisement has appeared, and the Stock Exchange will also be informed promptly.

The Registrar to the Issue will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. Our Company shall also inform the same to the Stock Exchanges.

If our Company withdraws the Issue at any stage including after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Filing

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold for filing of letter of offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees one thousand lakhs to Rupees five thousand lakhs. Since the size of this Issue falls above this threshold, this letter of offer has been filed with BSE and NSE and with SEBI.

XIV. UTILISATION OF ISSUE PROCEEDS

Our Board of Directors declares that:

a) All monies received out of the Issue shall be transferred to a separate bank account;

b) Details of all monies utilized out of the Issue referred to in clause (a) above shall be disclosed, and shall continue to be disclosed until the time any part of the Issue Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;

c) Details of all unutilized monies out of the Issue referred to in clause (a) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and

d) Our Company may utilize the funds collected in the Issue only after final listing and trading approvals for the Rights Equity Shares Allotted in the Issue is received.

XV. UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

a) The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.

b) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchange where the Rights Equity Shares are to be listed will be taken within the time prescribed by the SEBI.

c) The funds required for unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
d) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
e) No further issue of securities shall be made until the Rights Equity Shares are listed or until the Application Money is refunded on account of non-listing, under subscription, etc. other than as disclosed in accordance with Regulation 97 of SEBI ICDR Regulations.
f) In case of refund/unblocking of the application amount for unsuccessful Applicants or part of the application amount in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
g) Adequate arrangements shall be made to collect all ASBA Applications.
h) At any given time, there shall be only one denomination for the Rights Equity Shares of our Company.
i) As on date our Company does not have any convertible debt instruments.
j) Our Company shall comply with all disclosure and accounting norms specified by the SEBI from time to time.

Our Company accepts full responsibility for the accuracy of information given in this letter of offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this letter of offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

XVI. INVESTOR GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS

Please read this letter of offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of the letter of offer and must be carefully followed; otherwise, the Application is liable to be rejected. It is to be specifically noted that this Issue of Rights Equity Shares is subject to the risk factors mentioned in "***Risk Factors***" beginning on page 25 of this Letter of Offer.

All enquiries in connection with this Letter of Offer, Abridged Letter of Offer or Application Form and the Rights Entitlement Letter must be addressed (quoting the Registered Folio Number or the DP and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed "LLOYDS ENGINEERING WORKS LIMITED – RIGHTS ISSUE 2025" on the envelope to the Registrar at the following address:

Bigshare Services Private Limited
Office No S6-2, 6th Floor,
Pinnacle Business Park
Next to Ahura Centre, Mahakali Caves Road
Andheri (East), Mumbai 400 093

In accordance with SEBI ICDR Master Circular, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar www.bigshareonline.com. Further, the helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is +91 22 6263 8200.

The Investors can visit following links for the below-mentioned purposes:

- Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: www.bigshareonline.com
- Updation of Indian address/ email address/ mobile number in the records maintained by the Registrar or our Company i.e. Bigshare Services Private Limited: www.bigshareonline.com
- Updation of demat account details by Eligible Equity Shareholders holding shares in physical form, as applicable: www.bigshareonline.com; and

- Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Shareholders: www.bigshareonline.com

The Issue will remain open for minimum period of 7 days. However, our Board/Securities Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Consolidated FDI Policy and FEMA. The FDI Policy prescribes the limits and conditions subject to which foreign investment can be made in different sectors of the Indian economy and FEMA regulates the precise manner in which such investment may be made.

The government bodies responsible for granting foreign investment approvals are the concerned ministries/departments of the Government of India and the RBI. Pursuant to the press release dated May 24, 2017, the Union Cabinet phased out the FIPB and it was replaced by the Foreign Investment Facilitation Portal (**FIFP**) to speed up the FDI inflow and to increase the transparency in the FDI approvals in the country. The DIPP issued the Standard Operating Procedure (SOP) for Processing FDI Proposals on June 29, 2017 (the "**SOP**"). The SOP provides a list of the competent authorities to grant approvals for foreign investment for sectors/activities requiring Government approval. For sectors or activities that are currently under the automatic route, but which required Government approval earlier as per the extant policy during the relevant period, the concerned Administrative Ministry/Department shall act as the competent authority (the "**Competent Authority**") for the grant of post facto approval for foreign investment. In circumstances where there is a doubt as to which department shall act as the Competent Authority, the DIPP will identify the Competent Authority.

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment **("FDI")** through press notes and press releases. The DIPP has issued a consolidated FDI Policy DPIIT File Number 5(2)/2020-FDI Policy Dated the October 15, 2020 **("FDI Policy 2020")**, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI policy issued by the DIPP that were in force till that date. The Government of India proposes to update the consolidated circular on FDI policy once every year and therefore, the FDI Policy 2020 will be valid until the DIPP issues an updated circular.

Under the FDI Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to 100% without any prior approvals, however the foreign investor must follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment ("**FDI**") and approval from the Government of India will now be handled by the FIFP.

The transfer of shares between an Indian resident and a non-resident does not need prior approval of the RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA, and the transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

As per the extant policy of the Government of India, erstwhile OCBs cannot participate in this Issue. OCBs or Overseas Corporate Bodies have been de-recognised as a class of investor entity in India with effect from September 16, 2003.

Overseas Corporate Body means a company, partnership firm, society and other corporate body owned directly or indirectly to the extent of at least sixty per cent by Non- Resident Indians and includes overseas trust in which not less than sixty percent beneficial interest is held by Non-resident Indians directly or indirectly but irrevocably, which was in existence as on September 16, 2003 and was eligible to undertake transactions pursuant to the general permission granted under FEMA. Any investment made in India by such entities will be treated as investments by incorporated non-resident entities, i.e. a foreign company.

The Issue, if renounced by our shareholders, may include offers within India, to Indian institutional, non-institutional and retail investors in offshore transactions as defined in, and made in reliance upon exemptions from the registration requirements under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), including the exemption under Regulation S ("**Regulation S**") of the U.S. Securities Act.

The above information is given for the benefit of the Applicants / Investors Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

RESTRICTIONS ON PURCHASES AND RESALES

Eligibility and Restrictions

General

No action has been taken or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares to occur in any jurisdiction, or the possession, circulation, or distribution of this letter of offer or any other Issue Material in any jurisdiction where action for such purpose is required, except that this letter of offer will be filed with SEBI and the Stock Exchanges.

Pursuant to the requirements of the SEBI ICDR Regulations and other applicable laws, the Rights Entitlements will be credited to the demat account of the Eligible Equity Shareholders who are Equity Shareholders as on the Record Date, however, the Issue Materials will be sent/ dispatched only to such Eligible Equity Shareholders who have provided an Indian address to our Company and only such Eligible Equity Shareholders are permitted to participate in the Issue. The credit of Rights Entitlement does not constitute an offer, invitation to offer or solicitation for participation in the Issue, whether directly or indirectly, and only dispatch of the Issue Material shall constitute an offer, invitation or solicitation for participation in the Issue in accordance with the terms of the Issue Material. Further, receipt of the Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in (i) the United States or (ii) any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this letter of offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed, in part or full. Accordingly, persons receiving a copy of the Issue Materials should not distribute or send the Issue Materials in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates or the Lead Manager or their affiliates to any filing or registration requirement (other than in India). If Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares.

The Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and this letter of offer and any other Issue Materials may not be distributed, in whole or in part, in or into in (i) the United States or (ii) or any jurisdiction other than India except in accordance with legal requirements applicable in such jurisdiction.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Equity Shares, applying for excess Rights Equity Shares or making any offer, renunciation, sale, resale, pledge or other transfer of the Rights Entitlements or the Rights Equity Shares.

This letter of offer and its accompanying documents are supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. Each person who exercises the Rights Entitlements and subscribes for the Rights Equity Shares, or who purchases the Rights Entitlements, or the Rights Equity Shares shall do so in accordance with the restrictions set out above and below.

No offer in the United States

The Rights Entitlements and the Rights Equity Shares have not been, and will not be, registered under the U.S Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Rights Equity Shares are only being offered and sold outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act to Eligible Equity Shareholders located in jurisdictions where such offer and sale is permitted under the laws of such jurisdictions. The offering to which this letter of offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Entitlements or Rights Equity Shares for sale in the United States or as a solicitation therein of an offer to buy any of the said securities. Accordingly, you should not forward or transmit this letter of offer into the United States at any time.

Representations, Warranties and Agreements by Purchasers

The Rights Entitlements and the Rights Equity Shares offered outside the United States are being offered in offshore transactions in reliance on Regulation S.

In addition to the applicable representations, warranties and agreements set forth above, each purchaser outside the United States by accepting the delivery of this letter of offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, on behalf of each owner of such account (such person being the "purchaser", which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent):

(1) The purchaser (i) is aware that the Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the U.S. Securities Act and are being distributed and offered outside the United States in reliance on Regulation S, (ii) is, and the persons, if any, for whose account it is acquiring such Rights Entitlements and/or the Rights Equity Shares are, outside the United States and eligible to subscribe for Rights Entitlements and Rights Equity Shares in compliance with applicable securities laws, and (iii) is acquiring the Rights Entitlements and/or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulation S

(2) No offer or sale of the Rights Entitlements or the Rights Equity Shares to the purchaser is the result of any "directed selling efforts" in the United States (as such term is defined in Regulation S under the U.S. Securities Act).

(3) The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares, and the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.

(4) The purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by the jurisdiction of its residence, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements incompliance with applicable securities and other laws of our jurisdiction of residence.

(5) The purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, and, if the purchaser is exercising the Rights Entitlements and acquiring the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares on behalf of each owner of such account.

(6) If any Rights Entitlements were bought by the purchaser or otherwise transferred to the purchaser by a third party (other than our Company), the purchaser was in India at the time of such purchase or transfer.

(7) The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Rights Equity Shares involves a considerable degree of risk and that the Rights Entitlements and the Rights Equity Shares are a speculative investment.

(8) The purchaser understands (and each account for which it is acting has been advised and understands) that no action has been or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares in any jurisdiction (other than the filing of this letter of offer with SEBI and the Stock Exchanges); and it will not offer, resell, pledge or otherwise transfer any of the Rights Entitlements except in India or the Rights Equity Shares which it may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations.

(9) The purchaser (or any account for which it is acting) is an Eligible Equity Shareholder and has received an invitation from our Company, addressed to it and inviting it to participate in this Issue.

(10) None of the purchaser, any of its affiliates or any person acting on its or their behalf has taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of our Company to facilitate the sale or resale

of the Rights Entitlements or the Rights Equity Shares pursuant to the Issue.

(11) Prior to making any investment decision to exercise the Rights Entitlements and renounce and/ or subscribe for the Rights Equity Shares, the Investor(i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of this letter of offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to our Company and our Group and the Rights Entitlements and the Rights Equity Shares which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the Exchange Information (as defined below); (iv) will have conducted its own due diligence on our Company and this Issue, and will have made its own investment decisions based upon its own judgement, due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of our Company, the Lead Manager or their affiliates (including any research reports) (other than, with respect to our Company and any information contained in this Letter of Offer); and (vi) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares is suitable and appropriate, both in the nature and number of Rights Equity Shares being subscribed.

(12) Without limiting the generality of the foregoing, (i) the purchaser acknowledges that the Equity Shares are listed on BSE Limited and National Stock Exchange of India Limited and our Company is therefore required to publish certain business, financial and other information in accordance with the rules and practices of BSE Limited and National Stock Exchange of India Limited (which includes, but is not limited to, a description of the nature of our Company's business and our Company's most recent balance sheet and profit and loss account, and similar statements for preceding years together with the information on its website and its press releases, announcements, investor education presentations, annual reports, collectively constitutes "Exchange Information"), and that it has had access to such information without undue difficulty and has reviewed such Exchange Information as it has deemed necessary; and (ii) none of our Company, any of its affiliates, the Lead Manager or any of their affiliates has made any representations or recommendations to it, express or implied, with respect to our Company, the Rights Entitlements, the Rights Equity Shares or the accuracy, completeness or adequacy of the Exchange Information.

(13) The purchaser acknowledges that (i) any information that it has received or will receive relating to or in connection with this Issue, and the Rights Entitlements or the Rights Equity Shares, including this letter of offer and the Exchange Information (collectively, the "**Information**"), has been prepared solely by our Company; and (ii) neither the Lead Manager nor any of their affiliates has verified such Information, and no recommendation, promise, representation or warranty (express or implied) is or has been made or given by the Lead Manager or their affiliates as to the accuracy, completeness or sufficiency of the Information, and nothing contained in the Information is, or shall be relied upon as, a promise, representation or warranty by the Lead Manager or any of their affiliates.

(14) The purchaser will not hold our Company, the Lead Manager or their affiliates responsible for any misstatements in or omissions to the Information or in any other written or oral information provided by our Company to it. It acknowledges that no written or oral information relating to this Issue, and the Rights Entitlements or the Rights Equity Shares has been or will be provided by the Lead Manager or their affiliates to it.

(15) The purchaser understands and acknowledges that the Lead Manager are assisting our Company in respect of this Issue and that the Lead Manager are acting solely for our Company and no one else in connection with this Issue and, in particular, are not providing any service to it, making any recommendations to it, advising it regarding the suitability of any transactions it may enter into to subscribe or purchase any Rights Entitlements or Rights Equity Shares nor providing advice to it in relation to our Company, this Issue or the Rights Entitlements or the Rights Equity Shares. Further, to the extent permitted by law, it waives any and all claims, actions, liabilities, damages or demands it may have against the Lead Manager arising from their engagement with our Company and in connection with this Issue.

(16) The purchaser understands that its receipt of the Rights Entitlements and any subscription it may make for the Rights Equity Shares will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained in this letter of offer and the Application Form. The purchaser understands that none of our Company, the Registrar, the Lead Manager or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, the Lead Manager

or any other person acting on behalf of us have reason to believe is in the United States, or is ineligible to participate in this Issue under applicable securities laws.

(17) The purchaser subscribed to the Rights Equity Shares for investment purposes and not with a view to the distribution or resale thereof. If in the future the purchaser decides to offer, sell, pledge or otherwise transfer any of the Rights Equity Shares, the purchaser shall only offer, sell, pledge or otherwise transfer such Rights Equity Shares (i) outside the United States in a transaction complying with Rule 903 or Rule 904 of Regulation S and in accordance with all applicable laws of any other jurisdiction, including India or (ii) in the United States pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws.

(18) The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares.

(19) If the purchaser is outside India, the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company or the Lead Manager with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.

(20) If the purchaser is outside India, the purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by all jurisdictions applicable to it, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of all jurisdictions of residence.

(21) The purchaser is authorized to consummate the purchase of the Rights Equity Shares sold pursuant to this Issue in compliance with all applicable laws and regulations.

(22) Except for the sale of Rights Equity Shares on one or more of the Stock Exchanges, the purchaser agrees, upon a proposed transfer of the Rights Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Rights Equity Shares being sold.

(23) The purchaser shall hold our Company and the Lead Manager harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of its representations, warranties or agreements set forth above and elsewhere in this Letter of Offer. The indemnity set forth in this paragraph shall survive the resale of the Rights Equity Shares.

(24) The purchaser acknowledges that our Company, the Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreement.

SECTION IX – STATUTORY AND OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, or the material contracts may be inspected at the Corporate Office between 10 a.m. and 5 p.m. on all working days from the date of the letter of offer until the Issue Closing Date and will also be available at the website of our Company from the date of the letter of offer until the Issue Closing Date.

I. Material Contracts for the Issue

(i) Issue Agreement (Memorandum of Understanding) dated November 06, 2024, between our Company and the Lead Manager,

(ii) Registrar Agreement dated October 28, 2024, entered into amongst our Company and the Registrar to the Issue;

(iii) Rights Issue Escrow Agreement dated February 06, 2025 entered amongst our Company, the Lead Manager, Registrar to the Issue and Banker to the Issue.

(iv) Monitoring Agency Agreement dated November 13, 2024 entered into amongst our Company and India Ratings and Research Private Limited, the Monitoring Agency.

II. Material Documents

(i) Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time.

(ii) Fresh Certificate of Incorporation dated July 25, 2023, issued by the Registrar of Companies, Mumbai pursuant to change in name to Lloyds Engineering Works Limited.

(iii) Share purchase agreement and Shareholders dated July 30, 2024, entered amongst our Company, Mr. Bharat J Patel, Ms. Ritaben Patel and Techno Industries Private Limited

(iv) Valuation Report of Harwani Engineers & Associates Private Limited for the Immovable Property.

(v) Valuation report dated July 29, 2024 of Mr. Dinesh Kumar Deora for Fair Value of Equity Shares of Lloyds Engineering Works Limited and Techno Industries Private Limited.

(vi) Memorandum of Understanding dated October 10, 2024 with Bhilai Engineering Corporation Limited for acquisition of Engineering Assets.

(vii) Valuation Report dated October 09, 2024 of Kakode Associates Consulting Private Limited for valuation of Engineering Assets of Bhilai Engineering Corporation Limited.

(viii) Structural Audit Report dated August 29, 2024 of Mr. Ram V. Marathe, Proprietor of Prapti Associates for workshops located at Murbad, Thane, Maharashtra.

(ix) Audited Financials of our Company for the financial years ended March 31, 2024 and March 31, 2023.

(x) Audited Financials of Techno for the financial years ended March 31, 2024 and March 31, 2023.

(xi) Resolution of the Board of Directors dated July 30, 2024, in relation to the Issue.

(xii) Resolution of the Board of Directors dated November 14, 2024, approving and adopting the Draft Letter of Offer.

(xiii) Resolution of the Securities Issue Committee / Board of Directors dated April 17, 2025 in relation to the terms of the Issue including the Record Date, Issue Price and Rights Entitlement Ratio.

(xiv) Resolution passed by the Securities Issue Committee / Board of Directors dated April 19, 2025 for approving this Letter of Offer.

(xv) Report titled "*Assessment of heavy engineering, capital goods, elevators & escalators and selected motors industries in India*" prepared by CRISIL MI&A and consent letter dated October 21, 2024 with Addendum I issued by it in respect of such report.

(xvi) The Unaudited Interim Financial Information for the nine (9) months period ended December 31, 2024.

(xvii) The Unaudited Interim Financial Information for the six (6) months period ended September 30, 2024 of Techno.

(xviii) Proforma Financial Information for the six months ended September 30, 2024 and for the year ended March 31, 2024 and the examination report dated October 21, 2024 issued by the Statutory Auditor.

(xix) Deployment certificate dated March 25, 2025 issued by the Statutory Auditor.

(xx) Consent of our Directors, Company Secretary and Compliance Officer, Statutory Auditor, Lead Manager, the Registrar to the Issue, Key Banker(s) to the Company, the Legal Advisor to the Issue, Monitoring Agency for inclusion of their names in this letter of offer in their respective capacities.

(xxi) Statement of Tax Benefits dated April 07, 2025, from the Statutory Auditor included in this Letter of Offer.

(xxii) Consent letters dated October 21, 2024, from S Y Lodha and Associates, to include their name in this Letter of Offer, as required under Section 26(1) of the Companies Act, 2013, and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of the certificates issued by them in their capacity as an Independent Chartered Accountant to our Company.

(xxiii) Consent letters dated November 12, 2024, from Techno's Statutory Auditor, Dipal R. Shah and Co., Chartered Accountants, to include their name in this Letter of Offer, as required under Section 26(1) of the Companies Act, 2013, and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of the certificates issued by them in their capacity as an Independent Chartered Accountant to our Material Subsidiary, Techno.

(xxiv) Board resolution dated July 30, 2024, in order to constitute a Securities Issue Committee

(xxv) Tripartite Agreement between our Company, Central Depository Service India Limited and the Registrar to the Company dated October 31, 2015.

(xxvi) Tripartite Agreement between our Company, National Securities Depository Limited and the Registrar to the Company dated July 24, 2014.

(xxvii) Due Diligence Certificate dated November 14, 2024, issued by the Lead Manager

(xxviii) In-principle listing approval dated December 05, 2024, from the BSE.

(xxix) In-principle listing approval dated January 02, 2025, from the NSE.

(xxx) SEBI Observation letter no. SEBI/HO/CFD/RAC-DIL3/P/OW/2025/5865/1 dated February 24, 2025.

Any of the contracts or documents mentioned in this letter of offer may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this letter of offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this letter of offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Mukesh R. Gupta
(Chairman & Whole time Director)

Sd/-

Shree Krishna Mukesh Gupta
(Wholetime Director)

Sd/-

Ashok Satyanarayan Tandon
(Non-Executive Non-Independent Director)

Sd/-

Rajashekhar Mallikarjun Alegavi
(Non-Executive Non-Independent Director)

Sd/-

Bela Sundar Rajan
(Non-Executive Independent Director)

Sd/-

Lakshman Ananthsubramanian
(Non-Executive Independent Director)

Sd/-

Kishor Kumar Mohanlal Pradhan
(Non-Executive Independent Director)

Sd/-

Ashok Kumar Sharma
(Non-Executive Independent Director)

Sd/-

Devidas Kashinath Kambale
(Non-Executive Independent Director)

Sd/-

Date: April 19, 2025

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY:

Sd/-

_____

Kalpesh Agrawal

(Chief Financial Officer)

Date: April 19, 2025
Place: Mumbai