



34th
Annual Report
2010-2011

Lloyds Metals and
Energy Limited

(Formerly Lloyds Metals and Engineers Limited)

BOARD OF DIRECTORS

CHAIRMAN MUKESH R. GUPTA

MANAGING DIRECTOR B. L. AGARWAL

DIRECTORS

RAJESH R. GUPTA

V.M.BHARATHY (IDBI NOMINEE)

SHANTANU MOHAPATRA

B.B.CHADHA

J.S.CHARLU

AUDITORS

TODARWAL & TODARWAL

REGISTERED OFFICE & WORKS

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

CORPORATE OFFICE :

Trade World,
'C' Wing, 16th Floor,
Senapati Bapat Marg,
Lower Parel (West),
Mumbai – 400 013.

REGISTRAR & SHARE TRANSFER AGENTS

BIGSHARE SERVICES PRIVATE LIMITED
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (E), Mumbai - 400 072.
Tel No. - 022 - 4043 200
Fax No. - 022 - 2847 5207
E-mail - investor@bigshareonline.com

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NOTICE

NOTICE is hereby given that the 34th Annual General Meeting of the Members of the **Lloyds Metals and Energy Limited** will be held at Plot No. A 1-2, MIDC Area, Ghugus, Dist. Chandrapur, 442 505, Maharashtra on **Wednesday, 3rd August, 2011** at 12.30 p.m. to transact the following business:

ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Profit & Loss Account of the Company for the year ended 31st March, 2011 and the Balance Sheet as at that date together with Auditors' and Directors' Report thereon.
- To appoint a Director in place of Shri Mukesh Gupta, who retires by rotation and being eligible offers himself for re-appointment.
- To appoint a Director in place of Shri B.B.Chadha, who retires by rotation and being eligible offers himself for re-appointment.
- To appoint Statutory Auditors and to fix their remuneration.

By Order of the Board,

Date : 18th May, 2011
Place : Mumbai

Shyamal Padhiar
Company Secretary

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER.**

- Proxy Form and Attendance Slip are enclosed. Proxies, in order to be valid, must reach the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.
- The Register of Members and Share Transfer Books of the Company shall remain closed from **Monday, 25th July, 2011 to Wednesday, 3rd August, 2011** (both days inclusive).
- Members desiring any information as regards to Accounts are requested to write 7 days in advance to the Company before the date of the meeting to enable the Management to keep full information ready.
- Members are requested to notify any changes in their address to the Company's Registrar & Transfer Agent, M/s. Bigshare Services Pvt. Ltd., E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai - 400 072.
- Members are requested to quote their Folio No. or DP ID / Client ID, in case shares are in physical / dematerialized form, as the case may be, in all correspondence with the Company / Registrar and Share Transfer Agent.
- The Ministry of Corporate Affairs ("Ministry") has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by Companies through electronic mode. Therefore we request you to **provide your email id** to our Registrar M/s Bigshare Services Pvt. Ltd. Unit : Lloyds Metals and Energy Ltd. on the address given in this notice to send various notices / documents, etc.

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ENSUING 34th ANNUAL GENERAL MEETING

(Pursuant to clause 49 of the Listing Agreement)

1. Name	Shri Mukesh Gupta	Shri B. B. Chadha
2. Brief Resume		
Age	53 years	73 years
Qualification	B.Com	FICWA, Member of Institute of Internal Auditors, USA.
Experience	33 years	53 years
Date of appointment on the Board of the company	21.11.1991	28.07.2008
3. Nature of expertise in Specific Functional Areas	Expertise in the field of project implementation, finance, marketing and other areas	Expertise in all management discipline techniques, corporate strategy and planning, finance, marketing and human resource development.
4. Name(s) of other Companies in which Directorship Held	1. Lloyds Steel Industries Ltd 2. Vidarbha Power Ltd	1. Surya Roshni Ltd 2. Delfon Cables Ltd 3. Jay Ushin Ltd 4. Intex Technologies (India) Ltd 5. Innovation HR Consultants Pvt Ltd
5. Name(s) of other companies in which he is Chairman / Member of the * Committee(s)	1. Lloyds Steel Industries Ltd Member Shareholders' /Investor Grievance Committee	1. Surya Roshni Ltd – Member Audit Committee 2. Jay Ushin Ltd – Chairman – Audit Committee 3. Intex Technologies (India) Ltd. - Member – Audit Committee
6. No. of shares held of Rs.2/- each	353650	-
7. Relationship between Directors inter se (As per Section 6 and Schedule 1A of the Companies Act,1956)	He is related to Mr. Rajesh Gupta, Director of the company.	-

* Committees for the above purpose only Audit and Share transfer and Investors' Grievance Committees is considered.

By Order of the Board,

Date : 18th May, 2011
Place : Mumbai

Shyamal Padhiar
Company Secretary

DIRECTORS' REPORT

The Directors present their 34th Annual Report on the business and operations of your Company and Audited Statement of Accounts for the year ended 31st March, 2011.

FINANCIAL HIGHLIGHTS

(₹ in Lacs)

	Current Year 2010-11	Previous Year 2009-10
Sales (Net)	68999.73	56789.42
Other Income	2325.73	917.89
Total Income :	71325.46	57707.31
Profit before Interest, Depreciation & Tax	4542.86	4351.97
Less : Interest & Finance Charges	689.57	883.05
Depreciation	1991.80	1680.05
Profit/(Loss) before tax	1861.49	1788.87
Less : Tax Provision	-	-
Profit/(Loss) after Tax	1861.49	1788.87
Less : Prior Period Expenses	1.01	2.10
Net Profit/ (Loss)	1860.48	1786.77
Profit / (Loss) b/f from previous year	60.38	(1726.39)
Balance Carried Forward	1920.86	60.38

DIVIDEND

With a view to conserve the resources in long run, your Directors have not recommended any Dividend for the year ended 31st March, 2011.

OPERATIONS & OVERALL PERFORMANCE

World Steel consumption has shown a remarkable recovery during the last year. The Indian Steel Industry has been on a high growth trajectory led by buoyancy in sectors such as infrastructure and construction, oil and gas and automobiles during the year under review on back of finished steel consumption showing an increase of around 8 %. India has maintained its position as the world's largest producer of DRI / Sponge Iron. During the last few years, the demand growth has been more than supply growth. The lag in supply growth was mainly due to delay in statutory clearances, land acquisition issues and lack of new raw material linkages. Globally, the Steel prices has softened during the first quarter due to increase in supply and slowdown in inventory restocking but showed a rising trend during the last quarter. The High raw material cost coupled with increasing operational cost has put pressure on operating margins of the Steel Companies in the later half and trend is expected to continue during the current year as well.

The Total Income of the Company was **Rs. 713.25 crores** during the year as against Rs.577.07 crores in the previous year, showed an increase of **24 %**. The Company has reported Net profit of **Rs.18.61 crores** during the year under review as against Rs. 17.87 crores in the previous year.

SPONGE IRON DIVISION

The production of Sponge Iron Division during the year under review was **186882 MT** against 168144 MT in the previous year showing a growth of **11%**. The total income of the division was **Rs.656.95 Crores** as against Rs. 567.89 Crores during the previous year, showing an increase of **16 %**.

POWER PLANT

As part of manufacturing process, the Company is using coal to produce Sponge Iron and during the process, the hot waste gases are

being generated which were earlier being released in atmosphere after cooling down and passing through Electrostatic Precipitator for removal of dust particles.

During the third quarter of the year, in order to utilize the waste heat and convert it into productive energy, the Company has commissioned its 30 MW co-generation Waste Heat Recovery Based (WHRB) Power Plant, at Ghugus, Maharashtra. The project has received all statutory clearances. The project has also been registered under Carbon Development Mechanism (CDM) and expected to get CDM certification. The total income of the division was **Rs.33.04 Crores** during the year under review.

With the commissioning of the said plant, the Company will entail a reduction in power cost in the cost of production and may be in a position to produce and sell additional / surplus power to the Power Distribution Companies which may generate savings / earnings to the Company. The generation of the above revenue will entail the additional source of income for the company in addition to conducting manufacturing of Sponge Iron activities.

In respect of Iron ore mining activities, the company has received all statutory permissions and necessary sanctions from the concerned authorities to commence mining operations and the mining operations are expected to commence in due course.

CHANGE OF NAME / ALTERATION OF OBJECT CLAUSE

In view of the commencement of the power generation activities by the Company, it was proposed to alter the Main Object clause of the Company by addition of power generation Clause in the Memorandum of Association of the Company and to change the name of the Company from "Lloyds Metals and Engineers Limited" to 'Lloyds Metals and Energy Limited' by obtaining members approval through Postal Ballot. Accordingly, the Postal Ballot process was conducted and Special Resolutions approving the above alterations with requisite majority were passed on 11th April,2011. The Registrar Of Companies, Maharashtra, Mumbai has approved the above changes and issued fresh certificate of Incorporation for change of name of the Company w.e.f. 25th April,2011.

ENVIRONMENT & SOCIAL OBLIGATION

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

MANAGEMENT DISCUSSION AND ANALYSIS

The core business of the Company is manufacturing / marketing of Iron and Steel and generation / distribution of Power. The Management discussions and analysis is given hereunder :-

- Industry structure and development:** India's domestic steel demand remained robust with apparent demand last year, led by good demand for autos and engineering services. The Indian Steel Industry is expected to do well on the back of increase in demand and capacity addition by domestic steel companies. The Company has installed during the year under review, 30 MW Waste Heat Recovery based Power Plant.
- Opportunities and threats:** The Steel industry has a very good growth potential in years to come with rising domestic as well as global consumption. The main challenges to the industry are high input cost, temporary oversupply due to substantial capacity addition in upcoming 12-15 months, infusion of funds and cheaper imports. The upward trend in increase in steel prices is expected in line with higher raw material cost. The Power Industry has very good growth potential in coming years backed by initiatives taken by the Govt. for generation / distribution of Power at national level. The challenges to the power industry are fuel availability, plant equipment / skilled manpower shortage and financial assistance.
- Segment-wise performance:** The Company is operating two segments, Iron and Steel and Power Generation. Segment Wise results are given at Note No. 19 under 'Notes to the Accounts' forming part of balance sheet. The Company has no activity outside India.

- d) **Outlook:** The outlook for the domestic steel industry is positive, driven by robust growth in infrastructure, autos and construction. With the expanding consumer market, Indian Steel Industry is likely to receive huge domestic and foreign investments. The Steel Industry outlook in immediate future looks stable in line with growth of domestic as well as global steel industry. The Power sector outlook is also looks positive.
- e) **Risk and concerns:** The Company is continuously monitoring the supply management practices. Technological obsolescence, input prices, price sensitivity and demand volatility are an inherent business risks. The Company undertakes continuous development, training and modernization programme to keep its business efficient. The risks faced by the Power sector are irregular tariff structures, capacity addition, project execution, land acquisition and environment clearance etc.
- f) **Internal control system:** The Company maintains adequate internal control systems, which provide adequate safeguards and proper monitoring of the transactions. The Company has appointed an Internal Auditor who reports to the Managing Director and Audit Committee of the Board. The Internal Auditor conducts quarterly audits to ensure that the Company's control systems are adequately followed and all statutory requirements are complied with.
- g) **Discussion on financial performance with respect to operating performance:** The operating performance of the Company has been discussed in Directors Report under the head 'Financial Highlights' & 'Operations and Overall Performance' in the current year.
- h) **Human resources and industrial relations :** During the year under review the Employee/ Industrial relations remained harmonious. Steps were taken continuously by the Company for training its employees in various disciplines. Number of employees as on 31st March, 2011 was **301**.
- i) **Cautionary Statement :** The Management Discussions and Analysis describe Company's projections, expectations or predictions and are forward looking statements' within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand and supply and price conditions in domestic and international market, changes in Government regulations, tax regimes, economic developments and other related and incidental factors.

SUBSIDIARY & CONSOLIDATED FINANCIAL STATEMENTS

The Statement required Under Section 212 of the Companies Act, 1956, the Audited Accounts and the Reports of the Directors and Auditors of **M/s. Gadchiroli Metals and Minerals Limited**, wholly owned subsidiary is attached herewith. In accordance with the Accounting Standard AS -21, the Consolidated Financial Statements are attached herewith which forms part of the Annual Report and Accounts.

INVESTOR SERVICES

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

PUBLIC DEPOSITS

The Company has not accepted any deposits from the public during the year.

DIRECTORS

Shri Mukesh Gupta and Shri B.B.Chadha, Directors of your Company, retires by rotation and being eligible, offers themselves for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

1. In the preparation of annual accounts for the financial year ended 31st March 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. The directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
3. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. Final accounts have been prepared on going concern basis.

CORPORATE GOVERNANCE

Pursuant to the revised Clause 49 of the Listing Agreement your Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance as prescribed under the Listing Agreement of the Stock Exchange with which the Company is listed are complied with.

A separate report on Corporate Governance and the Auditor's Certificate on its compliance are annexed hereto and forms part of this Annual Report.

AUDITORS & AUDITORS' REPORT

The members are requested to appoint Auditors for the next financial year 2011-2012.

Auditors' observations in Clause No. 9 (b) in the Annexure to Audit Report (CARO Report) are self explanatory and do not require further explanation.

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

Information in accordance with Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are set out in **Annexure 'A'** forming part of this report.

PARTICULARS OF EMPLOYEES

The Company does not have any employee, whose particulars are required to be given pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, as amended by MCA vide it's Circular No. 23/2011 dated 03.05.2011.

ACKNOWLEDGEMENT:

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

For and on behalf of the Board

Dated: 18th May, 2011
Place: Mumbai

Mukesh R Gupta
Chairman

ANNEXURE - A

STATEMENT PURSUANT TO SECTION 217(1)(E) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988.

SPONGE IRON PLANT

(A) CONSERVATION OF ENERGY

Energy Conservation Measures Taken:-

The Sponge Iron Plant has achieved Electrical System Power Factor at Unity level since 2006-07 and expected to continue the same for the current year and following measures were taken for reducing electrical energy consumption:

- 1) Installation of variable speed control drives for various equipments of Kiln.
- 2) Replacement of Copper ballasts by electronic ballasts.
- 3) Provision of Time based controls in plant street lights for energy saving.
- 4) Provision of Localized switching arrangements to control the office and building lights.
- 5) Replacement of Higher rating pumps alongwith motors for GCT pump in 4 x 100 TPD Kiln by a suitable rating pump motor assembled as ABC pump to optimize the water consumption and power saving.
- 6) Dismantling of High rating GCT pumps of 500 TPD Kiln as a result of abandonment of GCT system.
- 7) The project of generation of 30 MW Power from Waste Heat Recovery has been registered under Carbon Development Mechanism (CDM) and expected to get CDM certification

(B) RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

- 1) Waste heat recovery based 30 MW cogeneration Power Plant has been commissioned during the 3rd quarter of the year to generate power from the waste gases of Kiln for the purpose of recovery of waste energy into productive energy.
- 2) Provision of 4 additional ESP transformers for 4 x 100 TPD Kilns to improve the pollution control measures.
- 3) Upgradation of Char, a solid waste by- product generated while manufacturing DRI in the Char Beneficiation system which beneficiating in elimination of dense contaminants and feeble magnetic particles and such waste is usable as secondary fuel in AFBC Boiler resulting in substantial reduction of coal consumption.
- 4) Installation of Opacity Meters to monitor the stack emission and improve pollution control standards.
- 5) Installation of 3 new bag filters and capacity enhancement of existing 3 bag filters.

POWER PLANT

(A) CONSERVATION OF ENERGY

Note : Form 'A' is not applicable to power generation activities as it does not fall under the list of industries specified in the Schedule attached to Rule 2.

Energy Conservation Measures Taken:-

- 1) Installation of variable Speed Control Drives for various equipments of power plant.
- 2) As a measure of energy conservation, Replacement of Copper ballasts by electronic ballasts.
- 3) Provision of Time based controls in plant street lights for energy saving.
- 4) Provision of Localized switching arrangements to control the office and building lights.

(B) RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

- 1) Waste heat recovery based 30 MW cogeneration Power Plant has been commissioned during the 3rd quarter of the year to generate power from the waste gases of Kiln for the purpose of use of waste energy into productive energy.
- 2) Replacement of the dense phase ash conveying system of

ESp fly ash in 500 TPD Kiln by pneumatic conveying system.

- 3) Upgradation of Char, a solid waste by- product generated while manufacturing DRI in the Char Beneficiation system which beneficiating in elimination of dense contaminants and feeble magnetic particles and such waste is usable as secondary fuel in AFBC Boiler resulting in substantial reduction of coal consumption.
- 4) Installation of Opacity Meters to monitor the stack emission and improve pollution control standards.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of Foreign Exchange Earnings and Outgo are as under:

		(Rs in Lacs)	
		2010-11	2009-10
(1) Earnings			
	Exports including Third Party	2699.31	1419.80
(2) Outgo			
	Travelling	20.76	-

FORM - A

Form for Disclosure of Particulars with respect to Conservation of Energy (Sponge Iron)

		UNIT	2010-11	2009-10
1	Electricity			
a)	Purchased			
	Units	Kwh	17211220	17961254
	Total Amount	Rs.	105,952,580	90,518,724
	Rate/Unit	Rs/kwh	6.16	5.04
b)	Own Generation			
i)	Through Diesel Generator			
	Units	Kwh	NIL	NIL
	Units per ltr. of Diesel Oil	Kwh/ltr	-	-
	Cost/Unit	Rs/kwh	-	-
ii)	Through Steam Turbine / Generator (Consumption)*			
	Units	Kwh	9509822	-
	Total Amount	Rs.	47610921	-
	Cost per Unit	Rs/kwh	5.01	-
*Consumption excludes 8085956 KWH consumed in power plant and 70425302 KWH sold.				
2	Coal *			
	Quantity	Ton	436137	395858
	Total Cost	Rs.	1127563367	851469045
	Average Rate	Rs/Tonne	2585.34	2150.95
*includes Used in Power Plant.				
3	Fuel Oil			
a)	Furnace Oil			
	Quantity	Ltr.	NIL	NIL
	Total Amount	Rs.	NIL	NIL
	Average Rate	Rs/Ltr	-	-
b)	LDO/			
	Quantity	Ltr.	185571	146000
	Total Amount	Rs.	5975445	3891718
	Average Rate	Rs/Ltr.	32.15	26.66
Consumption per unit of Production				
1	PRODUCT Sponge/Iron			
	- Electricity	Kwh/MT	92.10	106.82
	- Coal	Ton/MT	2.17	2.35
	- LDO	Ltr/MT	0.99	0.87

For and on behalf of the Board

Dated: 18th May, 2011
Place: Mumbai

Mukesh R Gupta
Chairman

CORPORATE GOVERNANCE

Auditors' Certificate regarding compliance of conditions of Corporate Governance

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

We have examined the compliance of the conditions of Corporate Governance by Lloyds Metals and Energy Limited, for the year ended 31st March, 2011, as stipulated in Clause 49 of the Listing Agreements of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (As stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

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

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

For and on behalf of
TODARWAL & TODARWAL
Chartered Accountants

Dated : 18th May, 2011
Place : Mumbai

Sunil Todarwal
Partner
M.No. 32512

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE :-

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

2. BOARD OF DIRECTORS

The Board of the Company has a combination of Executive, Non-Executive and Independent Directors headed by Non-executive Chairman.

During the financial year 2010-11, four (4) Board Meetings were held on 24th May, 2010, 29th July, 2010, 8th November, 2010 and 10th February, 2011 respectively.

Details of Directors attendance at Board Meetings and the last Annual General Meeting and number of directorship / membership as on 31st March, 2011 are as follows :

Name	Category	No. of Board Meetings held	No. of Board Meetings Attended	Last AGM Attended	No. of Directorship in other public Companies	No. of Other Company Committees where he is a Chairman (C)/ Member (M)
Mr. Mukesh R. Gupta	Non-Executive/ Promoter	4	4	Yes	2	1 (M)
Mr. Rajesh R. Gupta	Non-Executive/ Promoter	4	4	No	2	1 (M)
Mr. B. L. Agarwal	Executive/ Promoter	4	4	Yes	2	1 (C) / 1 (M)
Mr. Shantanu Mohapatra	Non-Executive Independent	4	3	Yes	2	-
Mr. B. B. Chadha	Non-Executive Independent	4	4	No	4	1 (C) / 2 (M)
Mrs. V. M. Bharathy	Independent IDBI Nominee	4	2	No	-	-
Mr. J. S. Charlu	Non-Executive Independent	4	3	No	-	-

Note: Committees for the above purpose, only Audit and Share transfer and Investors' Grievance Committees is considered.

CODE OF CONDUCT

The Board of Directors has adopted the Code of Business Conduct and Ethics for Directors and Senior Management Personnel. The said code has been communicated to the Directors and the Members of the Senior Management Personnel which is also affirmed by them for the financial year ended 31st March, 2011. The declaration to this effect by Managing Director is annexed at the end of this report.

The Code has also been posted on the Company's website at www.lloyds.in.

3. AUDIT COMMITTEE:-

❖ Terms of Reference

The role and terms of reference of the Audit Committee covers the areas mentioned in the Clause 49 of the Listing Agreement with the Stock Exchanges and Section 292 A of the Companies Act, 1956, as amended from time to time, besides other matters as may be referred by the Board of Directors. These, inter alia, include the Review of Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible, Review of the adequacy of internal control systems and advising the necessary steps to be taken to correct the weaknesses, Review of the quarterly and annual financial statements before submission to the Board for approval, Review of financial and risk management policies and practices etc..

❖ Composition, No. of meetings held and attendance during the year

As on 31st March, 2011, the Audit Committee comprised of 4 Non-executive Directors including 1 Nominee Director.

During the financial year 2010-11, four (4) Meetings of Audit Committee were held on 24th May, 2010, 29th July, 2010, 8th November, 2010 and 10th February, 2011 respectively.

Name of Director	Position	No. of Meetings held	No. of meetings attended	Remarks
Mr. Shantanu Mohapatra	Chairman	4	3	-
Mr. Mukesh R Gupta	Member	4	4	-
Mr. B.B. Chadha	Member	4	4	-
Mrs. V.M. Bharathy	Member	4	2	-

Mr. Shyamal Padhiar is acting as secretary to the committee.

4. REMUNERATION COMMITTEE

The Remuneration Committee comprises of 3 Non-executive independent Directors namely Shri Shantanu Mohapatra, Shri B.B. Chadha and Mrs. V.M. Bharathy. During the financial year 2010-11, no Remuneration Committee Meeting was held.

The remuneration of Director in all the cases is decided by the Board as per the Remuneration policy of the company subject to necessary approval of shareholders, remuneration committee and other applicable approvals, if any. Save and except Mr. B.L. Agarwal, Managing Director, no other director has drawn remuneration during the financial year 2010-11.

Mr. B.L. Agarwal was re-appointed as a Managing Director for a term of five years w.e.f. 1st January, 2010 and is responsible for day to day affairs of the Company. During the year Mr. B.L. Agarwal has been paid minimum remuneration of Rs.25.44 Lacs by way of Salary, Perquisites & Contribution to Provident Fund, in accordance with the provisions of Schedule XIII of the Companies Act, 1956

All the Directors except Managing Director, are in receipt of sitting fees of Rs.1000/- per Board / Audit and Other Committee meeting attended by them.

❖ Details of shares held by Non-Executive directors in their own name as on 31st March, 2011.

S.No.	Name of the Director	Equity shares of Rs.2/- each Held in their own name
1.	Mr. Mukesh Gupta	353650
2.	Mr. Rajesh Gupta	345860
3.	Mr. Shantanu Mohapatra	NIL
4.	Mr. B.B. Chadha	NIL
5.	Mrs. V.M. Bharathy	NIL
6.	Mr. J.S. Charlu	NIL

5. SHAREHOLDER'S AND INVESTOR'S GRIEVANCE COMMITTEE:-

The company has constituted the Share Transfer & Investor Grievance Redressal Committee comprising of 3 Directors namely Mr. Mukesh R. Gupta, Mr. B.L. Agarwal and Mr. Rajesh R. Gupta. The committee is headed by Mr. Mukesh R. Gupta, a Non-executive Director.

The committee oversees the performance of the Registrar and Share Transfer Agents, recommends the measures to improve the level of investor services and matters pertaining to

shareholder's complaints and grievances.

The Board has designated Mr. Shyamal Padhiar, Company Secretary, as the Compliance Officer.

The company has incorporated a grievance redressal division for the purpose of registering complaints by investors and for its speedy disposal. The investors therefore are requested to send their grievance, if any, on investor@lloyds.in.

The Company's Registrar & Transfer Agent M/s Bigshare Services Pvt. Ltd. had launched Gen-next investor Module i'Boss, the most advanced tool to interact with shareholders. The investors may login into i'Boss (www.bigshareonline.com) to help the company to serve better.

The committee meets weekly for the approval of the share transfer / split / consolidation / replacement and issue of duplicate share certificates etc.

The total number of complaints received and replied to the satisfaction of the shareholders during the year are as follows:

Description	Received	Replied
Direct	64	64
Bombay Stock Exchange	3	3
SEBI Complaints	4	4
MCA	-	-
Investor's Association	-	-
TOTAL	71	71

6. GENERAL BODY MEETING

a. Details of last 3 Annual General Meetings (AGM) :-

Year	Location	Date	Time
2007-2008	Dombivli Gymkhana, P-9, MIDC, Phase-I, Dombivli (East)- 421 201, Dist- Thane	10.07.2008	11.30 a.m
2008-2009	Plot No. A 1-2, MIDC Area, Ghugus, Dist - Chandrapur, 442 505, Maharashtra.	28.07.2009	2.00 p.m.
2009-2010	Plot No. A 1-2, MIDC Area, Ghugus, Dist - Chandrapur, 442 505, Maharashtra.	27.07.2010	12.30 p.m.

b. No Extra Ordinary General Meeting (EGM) was held during the last year.

c. Details of Special Resolution passed in last 3 AGMs :

Date of AGM	Details of Special Resolution
10.07.2008	No Special Resolution passed
28.07.2009	No Special Resolution passed
27.07.2010	Authority to Board of Directors to make investments or to give loans or to provide guarantee u/s 372A of the Companies Act, 1956

d. The Company has not passed any Resolutions through Postal Ballot during the last year. At the ensuing Annual General Meeting, there is no resolution proposed to be passed through postal ballot.

7 DISCLOSURES

- a) Disclosures on materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflicts with the interest of the company at large :

There were no such transactions during the year. The details of transactions with related parties are disclosed in the accounts.

- b) Whistle Blower Policy and affirmation that no personnel has been denied access to the Audit Committee :

No personnel have been denied access to the audit committee.

- c) Details of Non-Compliance by the Company, penalties strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to Capital Markets during the last three years :

None

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

The company has complied with all the mandatory requirements. As regards the Non-Mandatory requirements they are complied with to the extent possible.

8. CEO/CFO CERTIFICATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges the Managing Director of the Company has certified to the Board in compliance with the Clause 49 (V) regarding CEO/CFO certification.

9. MEANS OF COMMUNICATION

The Quarterly and Annual Results are published in Navshakti and Free Press Journals and are displayed on Company's website www.lloyds.in.

10. GENERAL SHAREHOLDER INFORMATION

I Annual General Meeting

Date	Wednesday, 3rd August, 2011.
Time	12.30 p.m.
Venue	Plot No. A 1-2, MIDC Area, Ghugus, Dist. Chandrapur, 442 505, Maharashtra.

II Financial Calendar (tentative)

Results for quarter ending 30.06.2011	Fourth Week of July 2011
Results for half year ending 30.09.2011	Fourth week of October 2011
Results for quarter ending 31.12.2011	Fourth week of January 2012
Results for year ending 31.03.2012	Fourth week of May 2012

III Book Closure Date	Monday, 25 th July, 2011 to Wednesday, 3 rd August, 2011 (both days inclusive)
------------------------------	--

IV **Dividend Payment date** Not declared

V **Listing of Equity Shares on Stock Exchanges at** Bombay Stock Exchange, Mumbai
The Company has paid annual Listing fees for the financial year 2011-2012 to the Bombay Stock Exchange.

VI **Stock Code** 512455 ISIN No.: INE281B01024

VII Stock Market Data

The monthly movement of equity Share Price on on Bombay Stock Exchange

	Share Price (In.Rs.)		BSE Sensex
	High	Low	
April 2010	53.40	30.00	17558.71
May 2010	54.70	36.20	16944.63
June 2010	68.65	45.15	17700.90
July 2010	74.80	57.30	17868.29
August. 2010	69.90	56.75	17971.12
September. 2010	63.00	56.00	20069.12
October. 2010	57.25	47.85	20032.34
November. 2010	51.90	40.00	19521.25
December. 2010	48.00	38.05	20509.09
January. 2011	54.85	37.10	18327.76
February. 2011	53.45	35.65	17823.40
March. 2011	46.00	35.00	19445.22

VIII Registrar and Share Transfer Agents (share transfer and communication regarding share certificates, dividends and change of address)

Big share Services Private Limited

E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri(E), Mumbai.-400 072.

IX Share Transfer System

Share Transfer request are registered within an average period of 15 to 20 days from the day of receipt.

Share transfer request in physical form with demat request have been discontinued from February 2004 in terms of SEBI directive.

X Distribution of shareholding as on 31st March, 2011

Promoters	47.78 %
Banks/Financial Institutions	2.84 %
MFs & UTI	0.01 %
FII	0.00 %
Others	49.37 %
Total	100.00

No. of Shares Held	No. of Shareholders		No. of Shares Held	
	Total	% of Total	Total	% of Total
1 - 500	13113	85.89	5811348	5.22
501 - 1000	1245	8.15	1190472	1.07
1001 - 2000	396	2.59	635595	0.57
2001 - 3000	177	1.16	468534	0.42
3001 - 4000	40	0.26	144447	0.13
4001 - 5000	70	0.46	340189	0.31
5001 - 10000	76	0.50	598266	0.54
10001 and Above	151	0.99	102102439	91.74
Total	15268	100.00	*111291290	100.00

Note : * Excludes 397875 forfeited shares of Rs.10/- each.

- XI Dematerialisation of Shares** Over **95.81** % of the shares have been dematerialized upto 31st March, 2011.

Trading in Equity Shares of the Company is permitted only in dematerialised form w.e.f. 08.05.2000 as per notification issued by the Securities and Exchange Board of India.

Liquidity

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

- XII Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, Conversion date and likely impact on the Equity.** Not Applicable

- XIII Plant Locations** Plot No. A-1/2, MIDC Area, Ghugus, Dist. Chandrapur- 442 505. Maharashtra State.

XIV (I) Investor Correspondence

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

Bigshare Services Private Ltd
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri(East),
Mumbai – 400072.
Tel No. – 022 – 40430200
Fax No. – 022 – 2847 5207
E-mail :
investor@bigshareonline.com

(II) Any query on Annual Report

Secretarial Department:
Trade World, 'C' wing, 16th Floor,
Senapati Bapat Marg,
Lower Parel(W),
Mumbai- 400 013.
Tel. No. 022-3041 8111
Fax No. 022-3041 8260
E mail : investor@lloyds.in

DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management personnel have confirmed compliance with the code of conduct during the financial year ended March 31, 2011.

For Lloyds Metals and Energy Ltd.

Date : 18th May, 2011
Place : Mumbai

B L Agarwal
Managing Director

AUDITORS' REPORT

TO THE MEMBERS OF LLOYDS METALS AND ENERGY LIMITED

1. We have audited the attached Balance Sheet of **Lloyds Metals and Energy Limited** as at March 31, 2011 and the related Profit and Loss Account and Cash Flow for the year ended on that date, annexed thereto, both of which we have signed under reference to this report. These financial statements are the responsibility of the Management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003, as amended by Companies (Auditors' Report) (Amendment) 2004 (together 'the order') issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, of India (the Act) and on the basis of such checks as we considered appropriate, and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable to the Company.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement Account dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Profit and Loss and Cash Flow Statement dealt with by this report have been prepared in compliance with the applicable accounting standards referred to in Section 211 (3C) of the Act;
 - e) In view of the foregoing paragraphs, in our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the other Notes thereon and attached thereto, give in the prescribed manner, the information required by the Act and also give, a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011; and
 - ii) In the case of the Profit and Loss Account, of the Profit for the year ended on that date.
 - iii) In the case of the Cash Flow Statement of the Cash Flow of the Company for the year ended on that date.
 - f) On the basis of the written representations received from the Directors and taken on records by the Board of Directors of the Company, none of the Directors is disqualified as on March 31, 2011 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Act;

For **TODARWAL & TODARWAL**
ICAI Firm registration no. 111009W

Sunil L.Todarwal
Partner
Membership No: 32512

Place: Mumbai
Date: 18th May 2011

ANNEXURE TO AUDITORS' REPORT

[Referred to in Paragraph 3 of the Auditors' Report of even date to the Members of Lloyds Metals and Energy Limited on the Financial Statements for the year ended 31st March 2011]

1. (a) The company has maintained proper records to show full particulars, including quantitative details and situation of its fixed assets.
(b) As per the information and explanation given to us, fixed assets are physically verified by the management according to a phased programme designed to cover all the locations within three years which in our opinion is reasonable having regard to the size of the company and the nature of the assets. Pursuant to the programme, the management has during the year physically verified the fixed assets at certain locations and no material discrepancies were noticed on such verification.
(c) In our opinion and according to the information and explanation given to us, the company has disposed off an insignificant part of the fixed assets during the year, thus provision of clause 4(i) (c) is not applicable.
2. (a) Inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable
(b) In our opinion the procedures followed by the management for physical verification of inventory are reasonable and adequate in relation to the size of the Company and the nature of its business
(c) In our opinion and according to information and explanation given to us, the company is maintaining proper records of inventory and no material discrepancies were noticed on verification between the physical stocks and book records
3. According to the information and explanation given to us, the Company has neither granted nor taken any secured or unsecured loans to/from any company, firm or other parties covered in the register required to be maintained under section 301. Hence in view of the above, provisions of clause 4(iii) (a), (b), (c), (d), (e), (f) and (g) are not applicable to the company.
4. In our opinion and according to information and explanation given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services.
5. According to the information and explanation provided by the management, there are no transactions that need to be entered into the register required to be maintained under section 301 of the Act. Hence we have been informed that the company has not maintained any register under section 301 of the act. Hence clause 4(v) (a) and (b) of the order is not applicable to the company.
6. According to the information and explanation given to us, the company has not accepted any deposits from the public within the meaning of section 58A, 58AA and other relevant provisions of the act and the rules framed there under. Hence the provisions of clause 4(vi) is not applicable to the company.
7. In our opinion and according to the internal audit report reviewed by us, the Company's internal audit system is commensurate with its size and the nature of the business.
8. According to the books and records as produced and examined by us, the company is maintaining cost records as prescribed by the Central Government under clause (d) of sub – section (1) of section 209 of the Act.
9. (a) According to the books and records as produced and examined by us in accordance with generally accepted auditing practices in India and also Management representations, undisputed statutory dues in respect of provident fund, profession tax, income tax, VAT, custom duty, excise duty and service tax and cess have been regularly deposited by the Company during the year with the appropriate authorities in India.
(b) *According to the records of the Company, the disputed dues in respect of Excise Duty as at March 31, 2011 amounting to ₹ 12.50 Lacs (Previous Year ₹ 12.50 Lacs) have not been deposited with appropriate authorities and no provision has been made for the same in the books of accounts.*

Sr. No.	Name of the Statute	Amount (₹ in Lacs)	Forum where dispute is pending
1	The Central Excise Act, 1944	6.50	Customs, Excise, Service Tax Appellate Tribunal (CESTAT)
2	The Central Excise Act, 1944	6.00	High Court
	TOTAL	<u>12.50</u>	

10. The company has no accumulated losses at the end of the financial year and has not incurred any cash losses during the financial year or in the immediately preceding financial year.
11. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank as at the Balance sheet date.
12. According to the information and explanations given to us the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities during the financial year. Hence the provisions of clause 4(xii) are not applicable to the company.
13. Considering the nature of activities carried on by the company during the year, the provision of any special statute applicable to chit fund / nidhi/ mutual benefit fund/ societies are not applicable to it. Hence the provision of clause 4(xiii) is not applicable to the company.
14. According to the information and explanations given to us the Company is not dealing or trading shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) are not applicable the company.
15. As informed to us, the Company during the year has not given any guarantee for the loans taken by others from banks for financial institutions. Hence the provisions of clause 4(xv) are not applicable to the company.
16. As per information given to us, no fresh term loans have been taken by the Company during the year. Hence the provisions of clause 4(xvi) is not applicable to the company
17. On the basis of overall examination of the Balance Sheet of the Company and according to information and explanations given to us, there are no funds raised on short term basis, which have been used for long term investments.
18. According to the information and explanation given to us, the Company has not made any preferential allotment of shares during the year. Hence clause 4(xviii) is not applicable to the company.
19. According to the information and explanation given to us, the Company has not issued any fresh debentures during the year. Hence the provisions of clause 4(xix) are not applicable to the company.
20. According to information and explanation given to us, the Company has not raised any money by public issue during the year. Hence the provisions of clause 4(xx) are not applicable to the company.
21. During the course of our examination of the books of accounts and records of the Company, carried in accordance with the generally accepted auditing practices in India, and according to information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

For **TODARWAL & TODARWAL**
ICAI Firm registration no. 111009W

Sunil L.Todarwal
Partner

Place: Mumbai
Date: 18th May 2011

Membership No: 32512

BALANCE SHEET AS AT 31ST MARCH, 2011

(₹ in Lacs)

	Schedule	ASAT 31.03.2011	AS AT 31.03.2010
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	2,243.05	2,243.05
Reserves & Surplus	B	9,677.07	7,823.62
		11,920.12	10,066.67
Loan Funds			
Secured Loans	C	2,821.48	3,591.37
Unsecured Loans	D	-	950.00
		2,821.48	4,541.37
TOTAL		14,741.60	14,608.04
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	E	50,735.98	33,446.89
Less: Depreciation		17,298.84	17,302.63
Net Block		33,437.14	16,144.26
Capital work in progress		400.90	15,748.49
		33,838.04	31,892.75
Investments	F	11.25	890.00
Current Assets, Loans and Advances			
Inventories	G	5,820.10	3,173.20
Sundry Debtors		2,032.81	1,071.63
Cash and Bank Balances		783.95	490.74
Loans and Advances		8,553.77	6,882.48
		17,190.63	11,618.05
Less : Current Liabilities and Provisions	H		
Liabilities & Provisions		36,298.34	29,792.76
Net Current Assets		(19,107.69)	(18,174.71)
TOTAL		14,741.60	14,608.04
Notes forming part of Accounts	P		
Abstract and General Profile of the Company	Q		
Schedules referred to herein form an integral part of Balance Sheet			

As per our Report of even date attached.

For **TODARWAL & TODARWAL**
Chartered Accountants
ICAI Reg. No. 111009W

SUNIL L. TODARWAL
Partner
M. No. - 32512

Dated : 18th May, 2011
Place : Mumbai.

SHYAMAL PADHIAR
Company Secretary

For and on behalf of the Board

B. L. AGARWAL
Managing Director

MUKESH R. GUPTA
Chairman

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

(₹ in Lacs)

	Schedule	CURRENT YEAR 31.03.2011	PREVIOUS YEAR 31.03.2010
INCOME			
Gross Turnover (Including Jobwork)		72,827.11	59,200.40
Less : Excise Duty		3,827.38	2,410.98
Net Turnover		68,999.73	56,789.42
Other Income	I	2,325.73	917.89
		71,325.46	57,707.31
EXPENDITURE			
Cost of Materials	J	62,803.24	50,365.15
Manufacturing & Asset Maintenance	K	2,053.00	1,851.34
Personnel Cost	L	990.97	679.34
Selling & Distribution Expenses	M	219.35	69.50
Administrative Expenses	N	716.04	390.01
Total		66,782.60	53,355.34
Profit before Interest, Depreciation & Tax		4,542.86	4,351.97
Interest & Financial Charges (Net)	O	689.57	883.05
Profit / (Loss) before Depreciation & Tax		3,853.29	3,468.92
Depreciation		1,998.83	1,684.05
Less : Transferred from Revaluation Reserve		7.03	4.00
		1,991.80	1,680.05
Profit / (Loss) before Tax		1,861.49	1,788.87
Provision for Taxes		-	-
Profit / (Loss) after Tax		1,861.49	1,788.87
Less : Prior period Expenses (Net)		1.01	2.10
Net Profit / (Loss) For The Year		1,860.48	1,786.77
Add : Profit/ (Loss) brought forward from last year		60.38	(1,726.39)
Balance carried to Balance Sheet		1,920.86	60.38
Basic & Diluted Earning Per Share (₹)		1.67	1.61
Notes forming part of Accounts	P		
Abstract and General Profile of the Company	Q		

Schedules referred to herein form an integral part of the Profit and Loss Account

As per our Report of even date attached.

For **TODARWAL & TODARWAL**
Chartered Accountants
ICAI Reg. No. 111009W

SUNIL L. TODARWAL
Partner
M. No. - 32512

Dated : 18th May, 2011
Place : Mumbai.

SHYAMAL PADHIAR
Company Secretary

For and on behalf of the Board

B. L. AGARWAL
Managing Director

MUKESH R. GUPTA
Chairman

SCHEDULES

SCHEDULES "A" TO "Q" ANNEXED TO & FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2011 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

		(₹ in Lacs)		(₹ in Lacs)	
		As at 31.03.2011	As at 31.03.2010	As at 31.03.2011	As at 31.03.2010
SCHEDULE A					
SHARE CAPITAL					
Authorised					
37,50,00,000 Equity Shares of ₹ 2/- each (Previous year 37,50,00,000 Equity Shares of ₹ 2/- each)	7,500.00	7,500.00			
2,50,00,000 Preference Shares of ₹10/- each	2,500.00	2,500.00			
	10,000.00	10,000.00			
Issued, Subscribed and Paid-up					
11,12,91,290 Equity Shares of ₹ 2/- each (Previous year 11,12,91,290 Equity Shares of ₹ 2/- each)	2,225.83	2,225.83			
Add : 3,97,875 Forfeited Shares of ₹ 10/- each (Amount Originally Received)	17.22	17.22			
TOTAL	2,243.05	2,243.05			
Note : The Company has forfeited 397875 Equity Shares of ₹10/- each which are yet to be reissued.					
SCHEDULE B					
RESERVES AND SURPLUS					
Capital Reserve					
As per Last Balance Sheet	7,756.21	7,756.21			
	7,756.21	7,756.21			
Revaluation Reserve					
Balance as per last Balance Sheet	7.03	11.03			
Less : Transferred to Profit & Loss Account	7.03	4.00			
	-	7.03			
Surplus in Profit & Loss Accounts	1,920.86	60.38			
TOTAL	9,677.07	7,823.62			
SCHEDULE C					
SECURED LOANS					
1. Long Term Loans					
From Financial Institutions :					
Rupee Loan	2,820.72	3,520.36			
2. Interest accrued and due	0.76	71.01			
TOTAL	2,821.48	3,591.37			
NOTES TO SCHEDULE C					
(a) Term Loan from Financial Institution, is secured by first mortgage and charge on all the Company's immovable & movable properties, both present & future, subject to prior charge on specified movable assets created / to be created in favour of Company's Bankers for Working Capital facilities.					
(b) Security by way of hypothecation of all the movables except aforesaid specified assets has already been created in respect of the entire aforesaid Term Loans.					
SCHEDULE D					
UNSECURED LOANS					
From Body Corporate	-	950.00			
TOTAL	-	950.00			

SCHEDULE : E: FIXED ASSETS

(₹ in lacs)

PARTICULARS	GROSSBLOCK				DEPRECIATION			NETBLOCK		
	AS AT 01.04.2010	ADDITIONS	SOLD / DISCARDED	AS AT 31.03.2011	AS AT 01.04.2010	FOR THE YEAR	WRITTEN BACK	AS AT 31.03.2011	AS AT 31.03.2011	AS AT 31.03.2010
FREE HOLD LAND	40.83	165.64	0.99	205.48	-	-	-	-	205.48	40.83
LEASEHOLD LAND	184.18	-	15.58	168.60	-	-	-	-	168.60	184.18
FACTORY BUILDING	1533.72	45.93	203.12	1376.53	597.23	39.89	134.57	502.56	873.97	936.49
STAFF RESIDENTIAL BUILDING	784.09	-	-	784.09	161.64	12.78	-	174.42	609.67	622.45
PLANT & MACHINERY	30531.01	187.97	1,891.06	28827.92	16327.11	1521.79	1,765.02	16083.88	12744.04	14203.90
PLANT & MACHINERY-POWER	-	19100.00	-	19100.00	-	397.60	-	397.60	18702.40	-
COMPUTERS	97.60	9.33	-	106.93	55.46	13.85	-	69.31	37.62	42.14
ELECTRICAL INSTALLATION	70.19	-	53.13	17.06	65.99	0.81	52.62	14.18	2.88	4.20
AIR CONDITIONERS	20.77	11.13	2.74	29.16	8.66	1.11	2.25	7.52	21.64	12.11
OFFICE EQUIPMENTS	9.69	3.02	-	12.71	3.70	0.49	-	4.19	8.52	5.99
FURNITURE & FIXTURES	46.17	4.74	-	50.91	32.16	2.85	-	35.01	15.90	14.01
MOTOR VEHICLES	119.45	22.54	85.40	56.59	43.25	7.63	40.70	10.17	46.42	76.20
WEIGHING MACHINE	9.19	-	9.19	-	7.43	0.04	7.47	-	-	1.76
T O T A L	33446.89	19550.30	2261.21	50735.98	17302.63	1998.83	2002.62	17298.84	33437.14	16144.26
C W I P	15748.49	4151.95	19499.54	400.90	-	-	-	-	400.90	15748.49
T O T A L	49195.38	23702.25	21760.75	51136.88	17302.63	1998.83	2002.62	17298.84	33838.04	31892.75
PREVIOUS YEAR	40335.04	8869.84	9.50	49195.38	15627.65	1684.05	9.07	17302.63	31892.75	

		(₹ in Lacs)	
		As at 31.03.2011	As at 31.03.2010
SCHEDULE F			
INVESTMENTS			
Long Term (At Cost):			
Share (Unquoted)			
100000	Fully paidup Equity Shares of Wholly Owned Subsidiary Gadchiroli Metals & Minerals Limited. of ₹ 10/- each (Previous Year 100000 Equity Share of ₹ 10/- each)	10.00	10.00
	Fully Paidup Equity Shares of Lloyds Line Pipes Ltd. of ₹ 10/- each. (Previous year 8800000 Equity Shares of ₹ 10/- Each)	-	880.00
500	Fully Paidup Equity Shares of Vimala Infrastructure Pvt. Ltd. of ₹ 10/- each.	1.25	-
	TOTAL	11.25	890.00
SCHEDULE G			
CURRENT ASSETS, LOANS AND ADVANCES			
Inventories			
	Stores and Spare Parts	1,049.85	802.76
	Raw Materials	3,985.44	1,742.61
	Raw Materials in transit / At Port	7.93	88.86
	Finished Goods	252.30	28.98
	Work In Process	5.43	3.76
	Scrap / By-Product	519.15	506.23
	TOTAL	5,820.10	3,173.20
Sundry Debtors			
(Unsecured, considered good unless otherwise stated)			
	Exceeding Six Months	390.31	0.29
	Others	1,642.50	1,071.34
	TOTAL	2,032.81	1,071.63
Cash and Bank Balances			
	Cash on Hand	5.59	13.58
	Balances with scheduled banks		
	In Current Accounts	393.31	56.93
	In Margin Account	385.05	420.23
	TOTAL	783.95	490.74
Loans and Advances			
(Unsecured and considered good)			
	a) Advances recoverable in cash or in kind or for value to be received	4,472.29	2,597.94
	b) Deposits and balances with Government Departments and others	4,061.81	4,264.28
	c) Advance Tax / Tax Deducted at Source	19.67	20.26
	TOTAL	8,553.77	6,882.48
	TOTAL	17,190.63	11,618.05
SCHEDULE H			
CURRENT LIABILITIES AND PROVISIONS			
Current Liabilities			
	Sundry Creditors	28,648.25	20,498.97
	Other Liabilities	1,186.80	1,176.97
	Bank Overdrawn	295.33	1,477.05
	Bills Payable - L/C Mum	-	997.98
	Advance from Customers	5,888.12	5,443.34
	Interest Accrued & not Due	35.46	40.25
Provisions			
	Provision for Leave encashment & Gratuity	244.38	158.20
	TOTAL	36,298.34	29,792.76

		(₹ in Lacs)	
		Current Year 31.03.2011	Previous Year 31.03.2010
SCHEDULE I			
OTHER INCOME			
	Miscellaneous Receipts	701.87	11.97
	Compensation Earned	2.40	25.00
	Exchange Fluctuation Gain	80.37	-
	Profit on Sale of Fixed Assets (Net)	17.77	2.24
	Sales Tax Refund	856.92	878.68
	Sundry Dr/Cr Balance Write off/Write back (Net)	18.40	-
	Profit on Sale of Investment (Net)	648.00	-
	TOTAL	2,325.73	917.89
SCHEDULE J			
COST OF MATERIALS :			
Consumption of :			
	Raw Materials	37,074.50	24,365.04
	Trading	25,140.73	25,348.76
	Production Consumables, Stores & Spares consumed	779.03	668.18
	Petroleum Products (Fuel)	46.89	39.38
	(Increase)/Decrease in stocks of finished goods and work in process & scrap		
	Closing Stock	776.88	538.97
	Less: Opening Stock	538.97	482.77
	TOTAL	(237.91)	(56.20)
	TOTAL	62,803.24	50,365.15
SCHEDULE K			
MANUFACTURING & ASSET MAINTENANCE			
	Power & Water Charges	1,063.05	923.63
Repairs and Maintenance			
	Plant and Machinery	48.03	52.01
	Buildings	10.02	9.81
	Others	24.87	27.84
	TOTAL	82.92	89.66
	Other Production Expenses	875.71	826.07
	Insurance (net)	31.32	11.98
	TOTAL	2,053.00	1,851.34
SCHEDULE L			
PERSONNEL			
	Salaries, Wages, Bonus and Allowances	860.17	608.61
	Contribution to Provident and Other Funds	69.77	43.91
	Workmen and Staff Welfare Expenses	61.03	26.82
	TOTAL	990.97	679.34
SCHEDULE M			
SELLING & DISTRIBUTION EXPENSES			
	Brokerage & Commission on Sales	154.33	40.02
	Delivery Charges and Others Exps	54.82	21.88
	Export Expenses	0.01	-
	Sales Promotion	10.19	7.60
	TOTAL	219.35	69.50
SCHEDULE N			
ADMINISTRATIVE EXPENSES			
	Travel and Conveyance	111.05	35.34
	Postage, Telephone & Telex	13.55	7.17
	Legal and Professional Charges	280.96	41.52
	Rent	115.65	146.42
	Rates and Taxes	13.12	9.59
	Auditor's Remuneration & Out of Pocket Expenses	1.61	1.61
	Director's Sitting Fees	0.33	0.34
	Vehicle Expenses	47.39	38.31
	Fees & Subscriptions	6.15	1.20
	General Expenses	6.63	11.86
	Entertainment Exps.	0.27	0.93
	Sundry Dr/Cr Balance Write off/Write back (Net)	-	1.62
	Advertisement and Publicity	2.53	2.15
	Miscellaneous Expenses	116.79	91.95
	TOTAL	716.04	390.01

(₹ in Lacs)

SCHEDULE O**INTEREST & FINANCIAL CHARGES****Finance Charges :**

Bills Discounting Charges	69.01	144.24
Bank Charges	19.97	48.63
Other Financial Charges	105.65	26.94
	194.63	219.81

Interest on :

Term Loans	460.61	698.11
Others	77.40	10.33
	538.01	708.44

Less : Interest Received (Includes Tax Deducted At Source)

	732.64	928.26
	43.07	45.21
TOTAL	689.57	883.05

SCHEDULE P : NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2011 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2011.**1. SIGNIFICANT ACCOUNTING POLICIES****A) System of Accounting :**

The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with accounting principal generally accepted in India and comply with the Accounting Standards notified under sub-section (3C) of section 211 of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

B) Fixed Assets :

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

C) Depreciation :

Depreciation on all the assets has been provided on Straight Line Method as per Schedule XIV of the Companies Act, 1956. Lease hold land will be amortised on the expiry of Lease Agreement.

D) Inventories :

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

Raw materials	: *At lower of cost and net realisable value.
Store & spares	: At cost (weighted average cost)
Work in process	: At cost
Finished goods	: At cost or net realisable value, which ever is lower (Also refer Accounting Policy G)

Traded goods : At cost

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

E) Investments :

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

F) Expenditure during construction period:

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

G) Excise Duty :

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

H) Customs Duty :

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

I) Foreign Currency Transaction :

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

J) Provision for Gratuity :

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

K) Leave Salary :

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

L) Customs Duty Benefit :

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

M) Amortisation of Expenses :

- Equity Issue Expenses :
Expenditure incurred in equity issue is being treated as Deferred Revenue Expenditure to be amortised over a period of ten years.
- Preliminary Expenses :
Preliminary expenses are amortised over a period of ten years.
- Debenture Issue Expenses :
Debenture Issue expenditure is amortised over the period of the Debentures.

N) Impairment of Assets :

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

O) Revenue Recognition :

Sales/Income 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 & trade discounts. Export benefits accrue on the date of export, which are utilized for custom duty free import of material / transferred for consideration.

P) Contingent Liability :

Unprovided Contingent Liabilities are disclosed in the accounts by way of notes giving the nature and quantum of such liabilities.

2 Contingent liabilities not provided for –

(₹ in lacs)

	As at 31/03/11	As at 31/03/10
a) Letter of Credit/Guarantees issued by Banks	384.56	419.73
b) Disputed claim of Excise Authorities	12.50	12.50
c) Claims against the Company not acknowledged as Debts	237.25	25.72
d) Bill Receivable (Foreign LC)	Nil	668.44

3 Amount held in Margin / Fixed deposit accounts with banks having lien for facilities given by Banks ₹ 385.05 Lacs. (Previous year ₹ 420.23 Lacs)

- The computation of net profit for the purpose of calculation of managerial remuneration u/s 349 of Companies Act, 1956 has not been enumerated since minimum remuneration has been paid to the Managing Director.
- Managerial remuneration u/s 198 of the Companies Act, 1956 include :(included in Schedule L).

	(₹ in Lacs)	
	Current Year	Previous Year
Salary	24.00	24.00
PF Contribution	1.44	1.44
Total	25.44	25.44

- 5 a) The Income tax assessment have been completed upto Assessment Year 2008-09
- b) The company does not envisage any liability for Income Tax for the current year in absence of taxable income.
- c) Disclosures as required by the Accounting Standard – 22 “Accounting for Taxes on Income” are given below:
In the event of carry forward losses and unabsorbed depreciation no Deferred Tax Liability has been created for the financial year ending 31.03.2011. The deferred tax asset has not been recognized as there is no virtual certainty of sufficient future taxable income available against which this deferred tax asset can be realized.

- 6 Advance recoverable in cash or kind or for a value to be received includes loans and advances given to subsidiary Gadchiroli Metals & Minerals Ltd. of ₹ 37.26 Lacs.

Particular	(₹ in Lacs)	
	2010-11	2009-10
a) As Auditor for		
(i) Fees	1.00	1.00
(ii) Expenses Reimbursed & Others	0.26	0.26
b) As Advisor In Taxation Matters	0.35	0.35
Total	1.61	1.61

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

- a) General Description of Plan : Defined Gratuity Benefit obligation (Unfunded)
- b) Method of Valuation of Gratuity: Projected Unit Credit Method.
- c) Reconciliation of opening and closing balance of defined benefit obligation
- (i) Obligation as at the beginning of the year : ₹ 85.53 Lacs
- (ii) Current Services Cost : ₹ 20.81 Lacs
- (iii) Interest Cost : ₹ 07.06 Lacs
- (iv) Actuarial (Gain)/Loss : ₹ 16.96 Lacs
- (v) Benefits paid : ₹ (10.16) Lacs
- (vi) Obligation as at the end of the year : ₹ 120.19 Lacs
- d) Expenses recognized during the year.
- (i) Current Services Cost : ₹ 20.81 Lacs
- (ii) Interest Cost : ₹ 07.06 Lacs
- (iii) Actuarial (Gain)/Loss : ₹ 16.96 Lacs
- Total Expenses recognized during the year : ₹ 44.83 Lacs
- e) Actuarial Assumptions.
- (i) Rate of Interest : 8.25% per annum
- (ii) Salary Growth : 7.00% per annum
- (iii) Withdrawal Rate : 1%
- (iv) Mortality Rate : LIC (1994-96) ultimate Mortality Rates.
- (v) Retirement Age : 60 years

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

	(₹)	
Particulars	2010-11	2009-10
NPBT	18,61,48,534	17,88,87,016
Prior Period Items	(1,01,221)	(2,09,603)
Tax Expenses	—	—
Numerator (A)	18,60,47,313	17,86,77,413
Denominator (B)	11,12,91,290	11,12,91,290
Basic & Diluted EPS (A/B)	1.67	1.61

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

1. Parties where control exist : (₹ in Lacs)

	Current Year	Previous Year
A Name of related party and relationship		
i) Name of the Related Party	Gadchiroli Metals & Minerals Limited	
ii) Relationship	Wholly owned Subsidiary Company	
A1 Transaction with related parties		
Nature of Transaction		
a) Equity	10.00	10.00
b) Loans & Advances	37.26	37.21
Maximum Balance During the Year	37.26	37.21
B Name of related party and relationship		
i) Name of the Related Party	Lloyds Line Pipes Ltd.	
ii) Relationship	50% Share Holding	
B1 Transaction with related parties		
Nature of Transaction		
a) Equity	Nil	880.00
b) Purchases & Services	2919.59	2041.47
2. Key Managerial Personnel		
A Name of related party and relationship		
i) Name of the Related Party	Shri. B L Agarwal	
ii) Relationship	Key Managerial Personnel	
B Transaction with related parties		
Nature of Transaction		
a) Salary	24.00	24.00
b) PF Contribution	1.44	1.44

- 11 Debtors, Creditors and Loans & Advances are subject to confirmation by the parties. Difference (if any), shall be accounted on such reconciliation.

- 12 During the year Power Division sales to Sponge Iron Division is ₹ 476.11 Lacs.

- 13 Disclosure as required by Accounting Standard-11 “Effect Of Changes in Foreign Exchange Rates” Credited to Profit and Loss Account is ₹ 80.37 Lacs. (Previous Year Nil)

- 14 Disclosure as required by the Accounting Standard – 5 “Net Profit or Loss for the period, Prior Period items and changes in Accounting Policies” are given below.

- Prior period expenses is ₹ 3.29 Lacs (Previous year ₹ 2.10 Lacs). Prior period income is ₹ 2.28 Lacs (Previous year Nil).

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

- 16 In order to utilise the Waste Heat and convert it into productive energy, the Company has commissioned a 30MW co-generation Waste Heat Recovery Based (WHRB) power plant at Ghugus, Maharashtra in the current financial year. The production of power commenced from 12th October 2010.

- 17 Additional information pursuant to the provisions of paragraph 3 and 4 of Part II of Schedule VI to the Companies Act, 1956.

1. Licensed/Installed Capacity per annum

	Sponge Iron(MT)	Power(MWH)
a. Licensed capacity	N.A.	N.A.
b. Installed capacity (P.Y.)	300000 (240000)	30.00 (-)
c. Production (P.Y.)	186882 (168144)	22.64 (-)

NOTE :

Company is not required to obtain any License under Industrial Regulation Act. therefore the details of licensed capacity is not applicable.

II Opening/Closing Stock, Purchases and Sales of Finished Goods

A) Steel Tubes & Pipes	2010-2011		2009-2010	
	Qty. (M.T.)	₹ in lacs	Qty. (M.T.)	₹ in lacs
a) Opening Stock	1514.110	377.12	-	-
b) Production	-	-	5267.830	-
c) Sales*	1514.110	578.09	3753.720	1290.73
d) Closing Stock	-	-	1514.110	377.12

*sold after conversion work at job work site.

B) Sponge Iron	2010-2011		2009-2010	
	Qty. (M.T.)	₹ in lacs	Qty. (M.T.)	₹ in lacs
a) Opening Stock	168	32.74	427	70.41
b) Production	186882	-	168144	-
c) Sales	-	-	-	-
Lumps/Fines	185792	38849.84	168403	30194.41
By-product	-	4105.38	-	2237.71
Scrap	-	223.74	-	122.33
d) Closing Stock	1257	259.28	168	32.74

C) Power Plant	2010-2011	
	Qty. (MWH)	₹ in lacs
a) Production	22.64	-
b) Self Consumption- CPP	2.12	-
c) Consumption-DRI	2.45	476.11
d) Sales	18.07	2828.36

D) Trading Sales	2010-2011		2009-2010	
	Qty. (M.T.)	₹ in lacs	Qty. (M.T.)	₹ in lacs
a) Opening Stock	2540.310	867.19	-	-
b) Purchases	244970.995	24273.54	118157.480	26215.95
c) Sales	247511.305	25765.59	115617.170	25355.22
d) Closing Stock	-	-	2540.310	867.19

III Consumption of Raw Materials

	2010-2011			2009-2010		
	Imported	Indigenous ₹ in lacs	Qty. (M.T.)	Imported	Indigenous ₹ in lacs	Qty. (M.T.)
HR/CR Coil	-	541.27	1514.11	1112.03	-	3753.72
%	-	100	-	100	-	-
Iron Ore	-	25120.66	398731.28	-	14629.12	356706
%	-	100	-	-	100	-
Coal - DRI	-	10317.27	405582.32	-	8514.69	395856
%	-	100	-	-	100	-
Coal - CPP	-	958.36	30554.73	-	-	-
%	-	100	-	-	-	-
Dolomite	-	137.23	14283.14	-	109.20	13759
%	-	100	-	-	100	-

IV Break up of stores and spares consumed

	2010-2011		2009-2010	
	₹ in lacs	%	₹ in lacs	%
Imported	-	-	-	-
Indigenous	825.92	100	707.56	100
Total	825.92	100	707.56	100

V Expenditure incurred in foreign currency on account of

	2010-2011 ₹ in lacs	2009-2010 ₹ in lacs
Traveling Expenses	20.76	Nil

VI F.O.B. Value of Exports

	2010-2011 ₹ in lacs	2009-2010 ₹ in lacs
Steel Tubes & Pipes	-	-
Direct Export	2699.31	1419.80
Third Party Export	Nil	Nil

18 Previous year figures have been regrouped and recast wherever necessary to conform to the classification of the current year.

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

(₹ in Lacs)

S.No.	Particulars	Year Ended 31.03.2011			
		Sponge Iron & Steel	Power	Elimination	Consolidated
I)	Segment Revenue :				
	Sales :				
	External	65,695.26	2,828.36	-	68,523.63
	Inter - Segment	-	476.11	(476.11)	-
	Total	65,695.26	3,304.47	(476.11)	68,523.63
II)	Segment Result :				
	Operating Net Profit	(227.17)	2,580.10	-	2,352.93
	Common Expenses (Net)	-	-	-	198.13
	Interest	-	-	-	(689.57)
	Exceptional items	-	-	-	-
	Profit before tax				1,861.48
III)	Segment Assets :				
	Common Assets	30,059.25	19,115.60	-	49,174.85
	Total				1,853.83
IV)	Segment Liabilities :				
	Common Liabilities	19,005.13	-	-	19,005.13
	Total				17,293.21
V)	Capital Expenditure during the year				
	Segment	450.30	19,100.00	-	19,550.30
	Common	-	-	-	-
	Total				19,550.30
VI)	Depreciation during the year				
	Segment	1,590.95	397.60	-	1,988.55
	Common	-	-	-	3.25
	Total				1,991.80
VII)	Non Cash Expenses other than Depreciation				
	Segment	-	-	-	-
	Common	-	-	-	79.55
	Total				79.55

Notes :- 1) **Business Segment** : The business operations of the Company comprise Sponge Iron & Power. The business segments have been identified and reported taking into account, the nature of products and services, the differing risks and returns and the internal financial reporting systems.

2) Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the enterprise as a whole.

SCHEDULE Q : BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details		Net Fixed Assets	3383804
Registration No.	19594	Investments	1125
State Code	11	Net Current Assets	(1910770)
Balance Sheet Date	31.03.2011	Miscellaneous Exps.	-
II. Capital Raised during the year (₹ in Thousands)		Accumulated Losses	-
Public Issue	NIL	IV. Performance of Company (₹ in Thousands)	
Bonus Issue	NIL	Turnover	7282711
Rights Issue	NIL	Total Expenditure	7329135
Private Placement	NIL	Profit/(Loss) Before Tax	186149
III. Position of Mobilisation and Deployment of Funds (₹ in Thousands)		Profit/(Loss) After Tax	186149
<u>SOURCES OF FUNDS</u>		Earning Per Share in Rs.	1.67
Total Liabilities	5103992	Dividend rate %	NIL
Total Assets	5103992	V. Generic Names of Three Principal Products/Service of Company. (As per Monetary terms)	
Paid-up Capital	224305	1. Item Code No. (ITC Code)	720310
Reserves & Surplus	967707	Product Description	Sponge Iron
Secured Loans	282148	2. Item Code No. (ITC Code)	N.A.
Unsecured Loans	-	Product Description	Generation of Power
<u>APPLICATION OF FUNDS</u>		3. Item Code No. (ITC Code)	730590
		Product Description	ERW Precision Tubes

For and on behalf of the Board

Dated : 18th May, 2011
Place : Mumbai.**SHYAMAL PADHIAR**
Company Secretary**B. L. AGARWAL**
Managing Director**MUKESH R.GUPTA**
Chairman

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT,1956,

Name of Subsidiary Company	Gadchiroli Metals & Minerals Limited
1 The Financial year of the Subsidiary ended on	March 31, 2011
2 Date from which they became Subsidiary Companies	15.02.2005
3 a Number of Shares in the Subsidiary Company held by Lloyds Metals & Energy Limited.	100000 Equity Shares of Rs.10 each
b. Percentage of holding	Fully paid-up 100%
4 The net aggregate of profits, less losses of the Subsidiary Company so far as they concern the members of Lloyds Metals & Energy Limited	
a Not Dealt within the accounts of Lloyds Metals & Energy Limited amounted to :	
i) For the financial year ended 31 st March, 2011	-
ii) For the previous financial years of the Subsidiary, since it became a Subsidiary of Lloyds Metals & Energy Limited	N.A.
b. Dealt within the accounts of Lloyds Metals & Energy Limited amounted to :	
i) For the financial year ended 31 st March, 2011	N.A.
ii) For the previous financial years of the Subsidiary, since it became a Subsidiary of Lloyds Metals & Energy Limited	N.A.

For and on behalf of the Board

Dated : 18th May, 2011
Place : Mumbai.

SHYAMAL PADHIAR
Company Secretary

B. L. AGARWAL
Managing Director

MUKESH R. GUPTA
Chairman

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

(₹ in Lacs)

	Year ended 31.03.2011		Year Ended 31.03.2010	
A. CASH FLOW FROM OPERATION ACTIVITIES:				
Net Profit before tax and extraordinary items		1860.47		1786.77
Adjustments for :				
Depreciation	1991.80		1680.05	
Profit on Sale of Fixed Assets(Net)	(17.77)		(2.24)	
Sundry Dr/Cr Balances written off	(18.40)		-	
Interest Expense(Net)	689.57		883.05	
Profit on Sale of Investment	(648.00)			
Provision for Expenses	97.95	2095.15	96.72	2657.58
Operating Profit before working capital changes		3955.62		4444.35
Adjustments for :				
Trade and Other Receivables		(2632.46)		(1241.00)
Inventories		(2646.91)		(111.22)
Trade Payables		6426.03		7147.18
Cash generated from operations		5102.28		10239.31
Taxes Paid		-		-
Cash Flow before extraordinary items		5102.28		10239.31
Extraordinary Items :				
Net cash from operating activities :-		5102.28		10239.31
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Fixed Assets		(4,202.71)		(8869.85)
Sale of Investment		1,526.75		20.00
Sale of Assets		276.36		2.67
Interest Received		43.07		45.21
Net cash used in investing activities :-		(2356.53)		(8801.97)
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Loans Repaid		(1719.90)		(801.85)
Interest paid		(732.64)		(928.26)
Net cash from financing activities :-		(2452.54)		(1730.11)
Net increase in cash and cash equivalents :-		293.22		(292.77)
Cash and cash equivalents as at 01.04.2010		490.74		783.51
Cash and cash equivalents as at 31.03.2011		783.96		490.74

Notes:

- Cash Flow statement has been prepared following the indirect method except in case of dividend paid/received and taxes paid which have been considered on the basis of actual movements of cash.
- Purchases of Fixed Assets includes movements of Capital Work-in-process between the beginning and end of the period.
- Cash and cash equivalents represent cash and bank balances only.
- Previous year's figures have been regrouped/reclassified wherever applicable.
- Figures in brackets represent outflows.

As per our Report of even date attached.

For **TODARWAL & TODARWAL**
Chartered Accountants
ICAI Reg. No. 111009W

For and on behalf of the Board

SUNIL L. TODARWAL
Partner
M. No. - 32512
Dated : 18th May, 2011
Place : Mumbai.

SHYAMAL PADHIAR
Company Secretary

B. L. AGARWAL
Managing Director

MUKESH R. GUPTA
Chairman

ANNUAL REPORT OF SUBSIDIARY COMPANY GADCHIROLI METALS & MINERALS LTD.

DIRECTORS' REPORT

To

The Members,

Your Directors present the Seventh Annual Report of the Company together with the Audited Statement of Accounts for the Financial Year ended on 31st March 2011.

OPERATIONS

Since the Company has not yet commenced any activities, the Profit and Loss Account for the year ended has not been prepared.

As at the end of the year the Company has incurred ₹ 46.11 Lacs towards the preliminary expenses, which will be amortised over a period of five years after commencement of business.

DIVIDEND

By reason of non-commencement of any activities during the year, your Directors have not recommended any dividend for the year.

DIRECTORS

Shri S.K.Gupta, Director of your Company, retire by rotation and being eligible, offer himself for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

1. In the preparation of annual accounts for the financial year ended 31st March 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. The directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year.
3. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. Final accounts have been prepared on going concern basis.

FIXED DEPOSITS:

The Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and the Rules made thereunder.

AUDITORS

The members are requested to appoint Auditors for the Current year and fix their remuneration.

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

Since the Company has not yet started activities, there is no material information in accordance with the provision of Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in Report of Board of Directors) Rules 1988. The expenditure on account of Foreign Currency is NIL.

PARTICULARS OF EMPLOYEES

The Company does not have any employees, whose particulars are required to be given pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employee) Rules, 1975.

COMPLIANCE CERTIFICATE

As required by the provisions of Section 383A of the Companies Act, 1956, Compliance Certificate issued by the Practising Company Secretary is set out in the Annexure 'A' forming part of this report.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation for the assistance and support extended by all Government Authorities, Financial Institutions, Banks, Consultants, Solicitors and Shareholders of the Company.

For and on behalf of the Board of Directors

Dated: 18th May, 2011
Place: Mumbai

Ravi Agarwal
Chairman

ANNEXURE 'A'

To,

The Members

GADCHIROLI METALS & MINERALS LIMITED,

Nagpur

We have examined the registers, records, books and papers of **Gadchiroli Metals & Minerals Limited**, as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March, 2011. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, We certify that in respect of the aforesaid financial year:

1. The Company has **kept and maintained** all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has **duly filed** the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies within the time as prescribed under the Act and the rules made thereunder.
3. The Company, being a public limited Company, this para is not applicable to it.
4. The **Board of Directors duly met** 4 (four) times respectively on 24.05.2010, 23.08.2010, 21.10.2010 and 15.03.2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. No circular resolutions were passed by the Company during the financial year under review.
5. The Company **has not closed** its Register of Members during the financial year under review.
6. The **Annual General Meeting** for the financial year ended on 31.03.2010 was held on **03.07.2010** after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. **No Extra-Ordinary General Meeting** was held during the financial year under review.
8. The Company **has not advanced** any loans to its directors or persons or firms or companies referred to under section 295 of the Act.
9. As informed to us, there were **no instances** necessitating the compliance of the provisions of section 297 of the Act by the Company in respect of contracts specified in that section.
10. As informed to us, the Company has not entered into any contract during the financial year requiring entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company was not required to obtain any approvals from the Board of directors, members or Central Government.
12. The Company has **not issued** any duplicate share certificates during the financial year.
13. The Company has :
 - (i) **not allotted** any securities during the year under review. It has delivered all the certificates of shares on lodgment thereof for transfer / transmission in accordance with the provisions of the Act.
 - (ii) **was not** required to deposit any amount in a separate Bank Account as no dividend was declared during the financial year under review.
 - (iii) **was not** required to post warrants to any member of the Company as no dividend was declared during the financial year under review.
 - (iv) **does not have** any amount in the unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years and hence the question of transferring the same to the Investor Education and Protection Fund does not arise.
- (v) **duly complied** with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is **duly constituted**. There was no appointment of directors, additional directors, alternate directors and directors to fill casual vacancies during the financial year under review.
15. The Company **has not appointed** any Managing Director / Whole-time Director / Manager during the financial year under review.
16. The Company has not appointed any sole-selling agents during the financial year under review.
17. There were no instances requiring to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as prescribed under the various provisions of the Act during the financial year.
18. The directors **have disclosed** their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company **has not issued** any shares, debentures or other securities during the financial year under review.

20. The Company **has not bought** back any shares during the financial year under review.
21. The Company has **neither** Preference Share Capital **nor** it has issued any debentures and therefore the question of redemption of the same does not arise.
22. There were **no instances** necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company **has not** invited/accepted any deposits including any unsecured loans falling within the purview of section 58A and 58AA of the Act read with Companies (Acceptance of Deposit) rules 1975 during the financial year under review.
24. The Company **has not borrowed** any amount during the year under review except advance received from the holding company.
25. The Company **has not** made any investments in securities of nor advanced loans or given guarantees or provided securities to other bodies corporate during the financial year under review.
26. The Company **has not altered** the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the year under scrutiny.
27. The Company **has not altered** the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company **has not altered** the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company **has not altered** the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company **has not altered** its Articles of Association during the financial year under review.
31. As per the information and according to the explanations furnished to us by the Company, there were **no prosecution** initiated against or show cause notices received by the Company for alleged offences under the Act during the financial year under review.
32. The Company **has not received** any money as security from its employees during the financial year under review.
33. As per information and explanations furnished to us, The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 is **not applicable** to the Company.

For **K.C. NEVATIA & ASSOCIATES**
COMPANY SECRETARIES

Place : Mumbai
Date : 18th May, 2011

K.C. NEVATIA
PROPRIETOR
C.P.NO. 2348

ANNEXURE 'A'

Registers as maintained by the Company

- | | | |
|----|---|-------------|
| 1. | Register of Members | u/s 150(1) |
| 2. | Minutes of Board Meetings & Shareholder' meetings | u/s 193(1) |
| 3. | Register of Directors | u/s 303 (1) |
| 4. | Register of Director's Share holding | u/s 307 (1) |
| 5. | Books of Accounts | u/s 209 |

ANNEXURE 'B'

Forms and Returns as filed by the Company with Registrar of Companies during the financial year ending **31st March, 2011**

Sr. No.	Form No./ Return	Filed U/S	For	Date of filing	Whether filed within prescribed time Yes / No	If delay in filing whether requisite additional fee paid Yes/ No
1	Form No.23AC & 23ACA	220	Balance Sheet (Year ended 31/03/2010)	09.07.2010	Yes	—
2	Form No.66	383A	Compliance Certificate (Year ended 31/03/2010)	09.07.2010	Yes	—
3	Form No.20B	159	Annual Return as on 03.07.2010	09.07.2010	Yes	—

For **K.C. NEVATIA & ASSOCIATES**
COMPANY SECRETARIES

Place : Mumbai
Date : 18th May, 2011

K.C. NEVATIA
PROPRIETOR
C.P.NO. 2348

AUDITORS' REPORT

To,
The Members of
GADCHIROLI METALS & MINERALS LIMITED

1. We have audited the attached balance sheet of **GADCHIROLI METALS & MINERALS LIMITED** as at 31st March, 2011. The financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on the financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As the Company has not yet started its activities no Annexure is enclosed as required by the Companies' (Auditor's Report) Order, 2003 in terms of sub-section (4A) of section 227 of the Companies Act, 1956.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - (iii) The balance sheet dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the balance sheet dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors, as on 31st March 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

in the case of the balance sheet, of the state of affairs of the company as at 31st March 2011.

For **PATEL, SHAH & JOSHI**
Chartered Accountants

Jayant I. Mehta
Partner
M.No. : 42630

Date : 18th May, 2011
Place : Mumbai

BALANCE SHEET AS AT 31ST MARCH, 2011

(₹ in Lacs)

Schedule	AS AT 31.03.2011	AS AT 31.03.2010
SOURCES OF FUNDS		
SHAREHOLDERS' FUNDS		
SHARE CAPITAL		
a) Paid up Capital	10.00	10.00
Advance received from holding Co. Lloyds Metals and Energy Limited	37.26	37.21
	47.26	47.21
APPLICATION OF FUNDS		
CURRENT ASSETS, LOANS & ADVANCES		
Capital Advance	1.26	1.26
	1.26	1.26
Less :CURRENT LIABILITIES & PROVISIONS		
a) Provision for Audit Fees	0.11	0.06
NET CURRENT ASSETS	1.15	1.21
MISCELLANEOUS EXPENDITURE	46.11	46.01
	47.26	47.21
Accounting policies and Notes forming part of these accounts		

As per our attached Report of even date.

For **PATEL, SHAH & JOSHI**
Chartered Accountants

For and on behalf of the Board

JAYANTI I. MEHTA
Partner
M. No. - 42630
Dated : 18th May, 2011
Place : Mumbai.

P R RAVIGANESAN Director
RAVI AGARWAL Director

Schedules forming part of the balance sheet and profit and loss account for the year to 31st March, 2011

(₹ in Lacs)

SCHEDULE - 1

SHARE CAPITAL

AUTHORISED :

100,000 Equity Shares of Rs.10/- each

As at 31.03.2011	As at 31.03.2010
10.00	10.00
10.00	10.00

ISSUED, SUBSCRIBED & FULLY PAID UP

100,000 Equity Shares of Rs.10/- each
Wholly owned subsidiary of
Lloyds Metals and Energy Limited

10.00	10.00
10.00	10.00

SCHEDULE - 2

UNSECURED LOANS

Advance Received from Holding Co.
Lloyds Metals and Energy Limited

37.26	37.21
37.26	37.21

SCHEDULE - 3

CURRENT ASSETS, LOANS & ADVANCES

A. CURRENT ASSETS

Cash and Bank balances

-	-
---	---

B. LOANS AND ADVANCES

Capital advances

1.26	1.26
------	------

TOTAL

1.26	1.26
-------------	-------------

SCHEDULE - 4

MISCELLANEOUS EXPENDITURE

(to the extent not written off or adjusted)

Preliminary expenses

46.11	46.01
46.11	46.01

SCHEDULE - 5 :

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011.

PART - A

SIGNIFICANT ACCOUNTING POLICIES

- Basis of Preparation of Accounts:** The financial statements have been prepared on the basis of going concern under the historical cost convention and accrual basis, to comply in all material aspects with applicable accounting principle in India, the Accounting Standards issued by the Institute of Chartered Accountant of India and the relevant provisions of the Companies Act, 1956.
- Deferred Revenue Expenditure :** Preliminary expenses will be amortised over a period of five years after commencement of business.

PART - B

NOTES FORMING PART OF THE ACCOUNTS:

1. Related Party Disclosure:

Sr.No	Party	Relationship
I.	Lloyds Metals and Energy Ltd	Holding company.
II.	a. Mr. Ravi Agarwal, b. Mr. P.R. Raviganesan	Key Managerial personnel

2. Transaction with the related parties.

(₹ in Lacs)

Sr. No.	Transaction	Year ended 31.03.2011	Year ended 31.03.2010
	Holding Company		
I	Share Capital	10.00	10.00
II	Advance Received	37.26	37.21

Related parties are identified by the management of the company.

As per our attached Report of even date.

For **PATEL, SHAH & JOSHI**
Chartered Accountants

For and on behalf of the Board

JAYANTI I. MEHTA
Partner
M. No. - 42630
Dated : 18th May, 2011
Place : Mumbai.

P R RAVIGANESAN Director
RAVI AGARWAL Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

(₹ in Lacs)

	31.03.2011	31.03.2010
A CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT/(LOSS) BEFORE TAX & EXTRAORDINARY ITEMS		-
ADJUSTMENTS FOR :		
OTHER NON-CASH CHARGES		
Increase/Decrease in Provision	0.055	0.058
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	0.055	0.058
B. CASH FLOW FROM INVESTING ACTIVITIES :		
DEFERRED REVENUE EXPENDITURE	(0.103)	(0.083)
	(0.048)	(0.140)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Share Capital Issued	-	-
Advance received from Lloyds Metals & Energy Ltd.	0.048	0.143
	0.048	0.143
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	-	(0.003)
CASH AND CASH EQUIVALENTS (OPENING BALANCE)	-	(0.003)
CASH AND CASH EQUIVALENTS (CLOSING BALANCE)	-	-

As per our attached Report of even date.

For **PATEL, SHAH & JOSHI**
Chartered Accountants

For and on behalf of the Board

JAYANTI I. MEHTA
Partner
M. No. - 42630
Dated : 18th May, 2011
Place : Mumbai.

P R RAVIGANESAN Director
RAVI AGARWAL Director

ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.	146956	State Code	11
Balance Sheet Date	31.03.2011		

II. Capital Raised during the year (Amount ₹ in Thousands)

Public Issue	NIL	Bonus Issue	NIL
Rights Issue	NIL	Private Placement	NIL

III. Position of Mobilisation and Deployment of Funds (Amount ₹ in Thousands)

SOURCES OF FUNDS

Total Liabilities	4726	Total Assets	4726
Paid-up Capital	1000	Reserves & Surplus	NIL
Secured Loans	NIL	Unsecured Loans	NIL

APPLICATION OF FUNDS

Net Fixed Assets	NIL	Investments	NIL
Net Current Assets	115	Miscellaneous Exps.	4611
Accumulated Losses	NIL		

IV. Performance of Company (Amount ₹ in Thousands)

Turnover	NIL	Total Expenditure	NIL
Profit/(Loss) Before Tax	NIL	Profit/(Loss) After Tax	NIL
Earning Per Share in Rs.	NIL	Dividend rate %	NIL

V. Generic Names of Three Principal Products/Service of Company.

(As per Monetary terms)

1. Item Code No. (ITC Code)	N.A.
Product Description	N.A.

For and on behalf of the Board

Dated : 18th May, 2011
Place : Mumbai

P. R. RAVIGANESHAN Director
RAVI AGARWAL Director

CONSOLIDATED STATEMENTS AUDITORS' REPORT

TO THE MEMBERS OF LLOYDS METALS AND ENERGY LIMITED

- We have audited the attached Consolidated Balance Sheet of **Lloyds Metals and Energy Limited** as at March 31, 2011 and the related Consolidated Profit and Loss Account and Consolidated Cash Flow Statement for the year ended on that date, annexed thereto, both of which we have signed under reference to this report. These financial statements are the responsibility of the Management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.
- We have conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- Further to our comments in the Annexure referred to in paragraph 2 above, we report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard 21 – Consolidated Financial Statements, issued by the institute of chartered Accountants of India and on the basis of the separated audited financial statements of the Company and its subsidiaries included in the consolidated financial statements.
- In our opinion and to the best of our information and according to the explanations given to us, the Consolidated Balance Sheet and Consolidated Profit and Loss account and Consolidated Cash Flow Statement together with the other Notes thereon, the information required by the Act and also give, a true and fair view in conformity with the accounting principles generally accepted in India:
 - in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2011; and
 - in the case of the Consolidated Profit and Loss Account, of the Profit for the year ended on that date.
 - In the case of the Consolidated Cash Flow Statement of the Cash Flow of the Company for the year ended on that date.

For **TODARWAL & TODARWAL**
Chartered Accountants
ICAI Reg. No. 111009W

SUNIL L. TODARWAL
Partner
Membership No.-32512

Place : Mumbai
Dated : 18th May, 2011

**CONSOLIDATED BALANCE SHEET
AS AT 31ST MARCH, 2011**

		(₹ in Lacs)	
Schedule		As at 31.03.2011	As at 31.03.2010
SOURCES OF FUNDS			
Shareholders' Funds			
	A	2,243.05	2,243.05
	B	9,677.07	7,823.62
		11,920.12	10,066.67
Loan Funds			
	C	2,821.48	3,591.37
	D	-	950.00
		2,821.48	4,541.37
		14,741.60	14,608.04
TOTAL			
APPLICATION OF FUNDS			
Fixed Assets			
	E	50,735.98	33,446.89
		17,298.84	17,302.63
		33,437.14	16,144.26
		402.17	15,749.75
		33,839.31	31,894.01
Investments			
	F	1.25	880.00
Current Assets, Loans and Advances			
	G	5,820.10	3,173.19
		2,032.81	1,071.63
		783.96	490.74
		8,516.50	6,845.27
		17,153.37	11,580.83
Less: Current Liabilities and Provisions			
	H	36,298.44	29,792.81
		(19,145.07)	(18,211.98)
Miscellaneous Expenditure (to the extent not written off or adjusted)			
	I	46.11	46.01
		14,741.60	14,608.04
TOTAL			
	Q		

As per our Report of even date attached.

TODARWAL & TODARWAL
Chartered Accountants
ICAI Reg. No. 111009W

For and on behalf of the Board

SUNIL L. TODARWAL
Partner
M. No. - 32512

SHYAMAL PADHIAR
Company Secretary

B. L. AGARWAL **MUKESH R. GUPTA**
Managing Director Chairman

Dated : 18th May, 2011
Place : Mumbai.

**CONSOLIDATED PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2011**

		(₹ in Lacs)	
Schedule		Current Year 31.03.2011	Previous Year 31.03.2010
INCOME			
		72,827.11	59,200.40
		3,827.38	2,410.98
		68,999.73	56,789.42
	J	2,325.73	917.89
		71,325.46	57,707.31
EXPENDITURE			
	K	62,803.23	50,365.15
	L	2,053.00	1,851.34
	M	990.97	679.34
	N	219.35	69.50
	O	716.04	390.01
		66,782.59	53,355.34
		4,542.87	4,351.97
	P	689.57	883.05
		3,853.30	3,468.92
		1,998.83	1,684.05
		7.03	4.00
		1,991.80	1,680.05
		1,861.50	1,788.87
		-	-
		1,861.50	1,788.87
		1.01	2.10
		1,860.49	1,786.77
		60.38	(1,726.39)
		1,920.87	60.38
		1.67	1.61

As per our Report of even date attached.

TODARWAL & TODARWAL
Chartered Accountants
ICAI Reg. No. 111009W

For and on behalf of the Board

SUNIL L. TODARWAL
Partner
M. No. - 32512

SHYAMAL PADHIAR
Company Secretary

B. L. AGARWAL **MUKESH R. GUPTA**
Managing Director Chairman

Dated : 18th May, 2011
Place : Mumbai.

SCHEDULES

Consolidated Schedules "A" to "Q" Annexed to & forming part of Balance sheet as at 31st March, 2011 And Profit and Loss Account for the year ended 31st March, 2011.

	(₹ in Lacs)	
	As at 31.03.2011	As at 31.03.2010
SCHEDULE A		
SHARE CAPITAL		
Authorised		
37,50,00,000 Equity Shares of Rs.2/- each (Previous year 37,50,00,000 Equity Shares of Rs.2/- each)	7,500.00	7,500.00
2,50,00,000 Preference Shares of Rs.10/- each	2,500.00	2,500.00
	10,000.00	10,000.00
Issued, Subscribed and Paid-up		
11,12,91,290 Equity Shares of Rs.2/- each (Previous year 11,12,91,290 Equity Shares of Rs.2/- each)	2,225.83	2,225.83
Add : 3,97,875 Forfeited shares of Rs. 10/- each (Amount originally received)	17.22	17.22
TOTAL	2,243.05	2,243.05
Note :		
The Company has forfeited 397875 Equity Shares of Rs.10/- each which are yet to be reissued.		
SCHEDULE B		
RESERVES AND SURPLUS		
Capital Reserve		
As per Last Balance Sheet	7,756.21	7,756.21
Add : Addition during the year	-	-
	7,756.21	7,756.21
Revaluation Reserve		
Balance as per last Balance Sheet	7.03	11.03
Less : Transferred to Profit & Loss Account	7.03	4.00
	-	7.03
Surplus in Profit & Loss Accounts	1,920.86	60.38
TOTAL	9,677.07	7,823.62

	(₹ in Lacs)	
	As at 31.03.2011	As at 31.03.2010
SCHEDULE C		
SECURED LOANS		
1. Long Term Loans		
From Financial Institutions :		
Rupee Loan	2,820.72	3,520.36
2. Interest accrued and due	0.76	71.01
TOTAL	2,821.48	3,591.37

NOTES TO SCHEDULE C

- (a) Term Loan from Financial Institution, is secured by first mortgage and charge on all the Company's immovable & movable properties, both present & future, subject to prior charge on specified movable assets created / to be created in favour of Company's Bankers for Working Capital facilities.
- (b) Security by way of hypothecation of all the movables except aforesaid specified assets has already been created in respect of the entire aforesaid Term Loans.

SCHEDULE D

UNSECURED LOANS

From Body Corporate

-	950.00
TOTAL	950.00

SCHEDULE : E

CONSOLIDATED FIXED ASSETS

(₹ in Lacs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2010	ADDITIONS	SOLD/ DISCARDED	AS AT 31.03.2011	AS AT 01.04.2010	FOR THE YEAR	WRITTEN BACK	AS AT 31.03.2011	AS AT 31.03.2011	AS AT 31.03.2010
FREE HOLD LAND	40.83	165.64	0.99	205.48	-	-	-	-	205.48	40.83
LEASEHOLD LAND	184.18	-	15.58	168.60	-	-	-	-	168.60	184.18
FACTORY BUILDING	1533.72	45.93	203.12	1376.53	597.23	39.89	134.57	502.56	873.97	936.49
STAFF RESIDENTIAL BUILDING	784.09	-	-	784.09	161.64	12.78	-	174.42	609.67	622.45
PLANT & MACHINERY	30531.01	187.97	1,891.06	28827.92	16327.11	1521.79	1,765.02	16083.88	12744.04	14203.90
PLANT & MACHINERY-POWER	-	19100.00	-	19100.00	-	397.60	-	397.60	18702.40	-
COMPUTERS	97.60	9.33	-	106.93	55.46	13.85	-	69.31	37.62	42.14
ELECTRICAL INSTALLATION	70.19	-	53.13	17.06	65.99	0.81	52.62	14.18	2.88	4.20
AIR CONDITIONERS	20.77	11.13	2.74	29.16	8.66	1.11	2.25	7.52	21.64	12.11
OFFICE EQUIPMENTS	9.69	3.02	-	12.71	3.70	0.49	-	4.19	8.52	5.99
FURNITURE & FIXTURES	46.17	4.74	-	50.91	32.16	2.85	-	35.01	15.90	14.01
MOTOR VEHICLES	119.45	22.54	85.40	56.59	43.25	7.63	40.70	10.17	46.42	76.20
WEIGHING MACHINE	9.19	-	9.19	-	7.43	0.04	7.47	-	-	1.76
TOTAL	33446.89	19550.30	2261.21	50735.98	17302.63	1998.83	2002.62	17298.84	33437.14	16144.26
CWIP	15749.75	4151.95	19499.54	402.17	-	-	-	-	402.17	15748.75
TOTAL	49196.64	23702.25	21760.75	51138.15	17302.63	1998.83	2002.62	17298.84	33839.31	31894.01
PREVIOUS YEAR	40336.30	8869.84	9.50	49196.64	15627.65	1684.05	9.07	17302.63	31894.01	

	(₹ in Lacs)	
	As at 31.03.2011	As at 31.03.2010
SCHEDULE F		
INVESTMENTS		
Long Term (At Cost) :		
Fully Paidup Equity Shares of Lloyds Line Pipes Ltd. of ₹ 10/- each. (Previous year 8800000 Equity Shares of ₹ 10/- Each)	-	880.00
500 Fully Paidup Equity Shares of Vimala Infrastructure Pvt. Ltd. of Rs. 10/- each.	1.25	-
TOTAL	1.25	880.00
SCHEDULE G		
CURRENT ASSETS, LOANS AND ADVANCES		
Inventories		
Stores and Spare Parts	1,049.85	802.76
Raw Materials	3,985.44	1,742.61
Raw Materials in transit/at port	7.93	88.85
Finished goods	252.30	28.98
Work In Process	5.43	3.76
Scrap	519.15	506.23
	5,820.10	3,173.19
Sundry Debtors (Unsecured, considered good unless otherwise stated) Exceeding six months Others	390.31 1,642.50 2,032.81	0.29 1,071.34 1,071.63
Cash and Bank Balances		
Cash on Hand	5.59	13.58
In Current Accounts	393.31	56.93
In Margin Account	385.06	420.23
	783.96	490.74
Loans and Advances (Unsecured and considered good)		
a) Advances recoverable in cash or in kind or for value to be received	4,435.03	2,560.73
b) Deposits and balances with Government departments and others	4,061.80	4,264.28
c) Advance Tax / Tax Deducted at Source	19.67	20.26
	8,516.50	6,845.27
TOTAL	17,153.37	11,580.83
SCHEDULE H		
CURRENT LIABILITIES AND PROVISIONS		
Current Liabilities		
Sundry Creditors	28,648.36	20,499.03
Other Liabilities	1,186.80	1,176.97
Bank Overdrawn	295.33	1,477.05
Bills Payable - L/C Mum	-	997.97
Advance from Customers	5,888.12	5,443.34
Interest accrued & not Due	35.46	40.25
Provision		
Provision for Leave encashment & Gratuity	244.37	158.20
TOTAL	36,298.44	29,792.81
SCHEDULE I		
MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)		
Preliminary Expenses	46.11	46.01
TOTAL	46.11	46.01
	Current Year 31.03.2011	Previous Year 31.03.2010
SCHEDULE J		
OTHER INCOME		
Miscellaneous Receipts	701.87	11.97
Compensation Earned	2.40	25.00
Exchange Fluctuation Gain	80.37	-
Profit on Sale of Fixed Assets (Net)	17.77	2.24
Sales Tax Refund	856.92	878.68
Sundry Dr/Cr Balance Writeoff/Writeback (Net)	18.40	-
Profit on Sale of Investment (Net)	648.00	-
TOTAL	2,325.73	917.89
SCHEDULE K		
COST OF MATERIALS :		
Consumption of :		
Raw Materials		
Trading	37,074.49	24,365.04
Production Consumables, Stores & Spares & Fuel consumed	25,140.73	25,348.76
Fuel consumed	779.03	668.18
(Increase)/Decrease in stocks of Finished goods and work in process & scrap	46.89	39.38
Closing Stock	776.88	538.97
Less : Opening Stock	538.97	482.76
	(237.91)	(56.21)
TOTAL	62,803.23	50,365.15

	(₹ in Lacs)	
	Current Year 31.03.2011	Previous Year 31.03.2010
SCHEDULE L		
MANUFACTURING & ASSET MAINTENANCE		
Power & Water Charges	1,063.05	923.64
Repairs and Maintenance		
Plant and Machinery	48.03	52.00
Buildings	10.02	9.81
Others	24.87	27.84
	82.92	89.65
Other Production Expenses	875.71	826.07
Insurance (Net)	31.32	11.98
TOTAL	2,053.00	1,851.34
SCHEDULE M		
PERSONNEL		
Salaries, Wages, bonus and allowances	860.17	608.61
Contribution to Provident and other funds	69.77	43.91
Workmen and staff welfare expenses	61.03	26.82
TOTAL	990.97	679.34
SCHEDULE N		
SELLING & DISTRIBUTION EXPENSES		
Brokerage & Commission on sales	154.33	40.02
Delivery charges and others exps	54.82	21.88
Export Expenses	0.01	-
Sales Promotion	10.19	7.60
TOTAL	219.35	69.50
SCHEDULE O		
ADMINISTRATIVE EXPENSES		
Travel and Conveyance	111.05	35.34
Postage, Telephone & Telex	13.55	7.17
Legal and Professional Charges	280.96	41.52
Rent	115.65	146.42
Rates and Taxes	13.12	9.59
Auditor's Remuneration & Out of Pocket Expenses	1.61	1.61
Director's Sitting Fees	0.33	0.34
Vehicle Expenses	47.39	38.30
Fees & Subscriptions	6.15	1.20
General Expenses	6.63	11.87
Entertainment Expenses	0.27	0.93
Sundry Dr/Cr Balance Write off/Write back (Net)	-	1.62
Advertisement and Publicity	2.53	2.15
Miscellaneous Expenses	116.79	91.95
TOTAL	716.04	390.01
SCHEDULE P		
INTEREST & FINANCIAL CHARGES		
Finance Charges :		
Bills Discounting Charges	69.01	144.24
Bank Charges	19.97	48.63
Other Financial Charges	105.65	26.94
	194.63	219.81
Interest on :		
Term Loans	460.61	698.11
Others	77.40	10.34
	538.01	708.45
	732.64	928.26
Less : Interest Received (includes tax deducted at source)	43.07	45.21
TOTAL	689.57	883.05
SCHEDULE Q :		

CONSOLIDATED NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011 AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011.

1 SIGNIFICANT ACCOUNTING POLICIES

A) System of Accounting :

The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with accounting principal generally accepted in India and comply with the Accounting Standards notified under sub-section (3C) of section 211 of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

B) Fixed Assets :

i) All fixed assets are valued at cost net of Cenvat unless if any assets are revalued and for which proper disclosure is made in the Accounts.

ii) In the case of ongoing projects, all pre-operative expenses for the project incurred upto the date of commercial production are capitalised and apportioned to the cost of respective assets.

C) Depreciation :

Depreciation on all the assets has been provided on Straight Line Method as per Schedule XIV of the Companies Act, 1956. Lease hold land will be amortised on the expiry of Lease Agreement.

D) Inventories :

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

Raw materials : *At lower of cost and net realisable value.
Store & spares : At cost (weighted average cost)
Work in process : At cost
Finished goods : At lower of cost and net realisable value.
(Also refer Accounting Policy G)
Traded goods : At cost

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

- E) **Investments :**
Investments are valued at cost of acquisition, which includes charges such as Brokerage, Fees and Duties.
- F) **Expenditure during construction period:**
Expenditure incurred on projects under implementation are being treated as pre-operative expenses pending allocation to the assets which are being apportioned on commencement of commercial production.
- G) **Excise Duty :**
The Excise duty payable on finished goods dispatches is accounted on the clearance thereof from the factory premises. Excise duty is provided on the finished goods lying at the factory premises and not yet dispatched as per the Accounting Standard 2 "Valuation of Inventories"
- H) **Customs Duty :**
Customs Duty payable on imported raw materials, components and stores and spares is recognised to the extent assessed by the customs department.
- I) **Foreign Currency Transaction :**
Foreign currency transactions during the accounting year are translated at the rates prevalent on the transaction date. Exchange differences arising from foreign currency fluctuations are dealt with on the date of payment/receipt. Assets and Liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at the year end rate. The exchange difference is credited / charged to Profit & Loss Account in case of revenue items and capital items.
- J) **Provision for Gratuity :**
Provision for Gratuity is made on the basis of actuarial valuation based on the provisions of the Payment of Gratuity Act, 1972.
- K) **Leave Salary :**
Provision is made for value of unutilised leave due to employees at the end of the year.
- L) **Customs Duty Benefit :**
Customs duty entitlement eligible under pass book scheme / DEPB is accounted on accrual basis. Accordingly, import duty benefits against exports 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.
- M) **Amortisation of Expenses :**
i) Equity Issue Expenses : Expenditure incurred in equity issue is being treated as Deferred Revenue Expenditure to be amortised over a period of ten years.
ii) Preliminary Expenses : Preliminary expenses are amortised over a period of ten years.
iii) Debenture Issue Expenses : Debenture Issue expenditure is amortised over the period of the Debentures.
- N) **Impairment of Assets :**
The company determines whether a provision should be made for impairment loss on fixed assets (including Intangible Assets), by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard – 28 "Impairment of Assets". Where the recoverable amount of any fixed assets is lower than its carrying amount, a provision for impairment loss on fixed assets is made.

- O) **Revenue Recognition :**
Sales/Income 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 & trade discounts. Export benefits accrue on the date of export, which are utilized for custom duty free import of material / transferred for consideration.
- P) **Contingent Liability :**
Unprovided Contingent Liabilities are disclosed in the accounts by way of notes giving the nature and quantum of such liabilities.
2. Contingent liabilities not provided for — (₹ in lacs)
- | | As at 31/03/11 | As at 31/03/10 |
|---|----------------|----------------|
| Contingent liabilities not provided for — | | |
| a) Letter of Credit/Guarantees issued by Banks | 384.56 | 419.73 |
| b) Disputed claim of Excise Authorities | 12.50 | 12.50 |
| c) Claims against the Company not acknowledged as Debts | 237.25 | 25.72 |
| d) Bills Receivable (Foreign LC) | Nil | 668.44 |
3. Amount held in Margin / Fixed deposit accounts with banks having lien for facilities given by Banks ₹ 385.05 Lacs (Previous year ₹ 420.23 Lacs)
4. a) The Income tax assessment have been completed upto Assessment Year 2008-09.
b) The company does not envisage any liability for Income Tax for the current year in absence of taxable income.
c) Disclosure as required by the Accounting Standard – 22 "Accounting for Taxes on Income" are given below:
In the event of carry forward losses and unabsorbed depreciation no Deferred Tax Liability has been created for the financial year ending 31.03.2011. The deferred tax asset has not been recognized as there is no virtual certainty of sufficient future taxable income available against which this deferred tax asset can be realized.
5. Advance recoverable in cash or kind or for a value to be received includes loans and advances given to subsidiary Gadchiroli Metals & Minerals Ltd. of ₹ 37.26 Lacs.
6. Disclosure as required by the Accounting Standard – 5 "Net Profit or Loss for the period, Prior Period items and changes in Accounting Policies" are given below.
Prior period expenses is ₹ 3.29 Lacs (Previous year ₹ 2.10 Lacs). Prior period income is ₹ 2.28 Lacs (Previous year Nil).
7. The Company has no information as to whether any of its suppliers constitute micro, small & medium enterprises as per Micro, Small & Medium Enterprises Development Act, 2006 and therefore, the amount due to such suppliers has not been identified.
8. Previous year figures have been regrouped and recast wherever necessary to conform to the classification of the current year.

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

- A. CASH FLOW FROM OPERATION ACTIVITIES :**
Net Profit before tax and extraordinary items
Adjustments for :
Depreciation
Profit on Sale of Fixed Assets(Net)
Sundry Dr/Cr Balances written off
Interest Expense(Net)
Profit on Sale of Investment
Provision for Expenses
Operating Profit before working capital changes
Adjustments for :
Trade and Other Receivables
Inventories
Trade Payables
Cash generated from operations
TDS Paid / Refund Received
Cash flow before extraordinary items
Extraordinary Items :
Preliminary Expenses
Net cash from operating activities :-
- B. CASH FLOW FROM INVESTING ACTIVITIES :**
Purchase of Fixed Assets
Sale of Investment
Sale of Assets
Interest Received
Net cash used in investing activities :-
- C. CASH FLOW FROM FINANCING ACTIVITIES :**
Loans Repaid
Interest Paid
Net cash from financing activities :-
Net increase in cash and cash equivalents :-
Cash and cash equivalents as at 01.04.2010
Cash and cash equivalents as at 31.03.2011

Year ended 31.03.2011		Year ended 31.03.2010	
1991.80	1860.47	1680.05	1786.77
(17.77)	-	(2.24)	-
(18.40)	-	-	-
689.57	-	883.05	-
(648.00)	-	-	-
97.95	2095.15	96.72	2657.58
	3955.62		4444.35
	(2632.41)		(1240.86)
	(2646.91)		(111.22)
	6426.03		7147.12
	5102.34		10239.39
	-		-
	5102.34		10239.39
	(0.10)		(0.08)
	5102.24		10239.31
	(4202.71)		(8869.85)
	1,526.75		20.00
	276.36		2.67
	43.07		45.21
	(2356.53)		(8801.97)
	(1719.85)		(801.85)
	(732.64)		(928.26)
	(2452.49)		(1730.11)
	293.22		(292.77)
	490.74		783.51
	783.96		490.74

Notes:

- Cash Flow statement has been prepared following the indirect method except in case of dividend paid/received and taxes paid which have been considered on the basis of actual movements of cash.
- Purchases of Fixed Assets includes movements of Capital Work-in-process between the beginning and end of the year.
- Cash and cash equivalents represent cash and bank balances only.
- Previous year's figures have been regrouped/reclassified wherever applicable.
- Figures in brackets represent outflows.

As per our Report of even date attached.

For **TODARWAL & TODARWAL**
Chartered Accountants
ICAI Reg. No. 111009W

For and on behalf of the Board

SUNIL L. TODARWAL
Partner
M. No. - 32512
Dated : 18th May, 2011
Place : Mumbai.

SHYAMAL PADHIAR
Company Secretary

B. L. AGARWAL
Managing Director

MUKESH R. GUPTA
Chairman

LLOYDS METALS AND ENERGY LTD.

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

DP ID *	
Client ID *	

PROXY FORM

Folio No.	
No. of Shares	

I /We _____
of _____
being Member/s of Lloyds Metals and Energy Limited, hereby appoint _____ of
_____ or failing him _____
of _____ as my/ our proxy to vote for me/us on my/our behalf at the
34TH Annual General Meeting of the Company to be held on Wednesday, 3rd August 2011 at 12.30 p.m. at Plot
No. A 1-2, MIDC Area, Ghugus, Dist. Chandrapur, 442 505, Maharashtra and at any adjournment thereof.

Signed at _____ this day of _____ 2011

Affix
Revenue
Stamp

Note : This form duly completed and signed must be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.

* Applicable for investors holding shares in electronic form.

Tear Here

LLOYDS METALS AND ENERGY LTD.

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

34th Annual General Meeting

DP ID *	
Client ID *	

ATTENDANCE SLIP

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

Folio No.	
No. of Shares	

I, Certify that I am a registered Member/ Proxy for the registered Member of the Company, I hereby record my presence at the 34th Annual General Meeting of the Company to be held at Plot No. A 1-2, MIDC Area, Ghugus, Dist. Chandrapur, 442 505, Maharashtra on Wednesday, 3rd August, 2011 at 12.30 p.m.

Full Name of Member (in BLOCK LETTERS) _____

Name of the Proxy (in BLOCK LETTERS) _____

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

Member's/Proxy's Signature _____

* Applicable for investors holding shares in electronic form.

BOOK - POST

If undelivered please return to :

BIGSHARE SERVICES PRIVATE LIMITED

(Unit : Lloyds Metals and Energy Ltd.)

E-2/3, Ansa Industrial Estate, Sakivihar Road,

Saki Naka, Andheri (East),

Mumbai - 400 072.

Phone : 022-4043 0200

Fax : 2847 5207