



LLOYDS METALS AND ENERGY LIMITED

Regd. Office and Works : Plot No. A1 & A2, MIDC Industrial Area, Ghugus 442 505, District Chandrapur (MS), Tel : 07172-285398, 07172-285103
Corporate Office : A2, 2nd Floor Madhu Estate, Pandurang Budhkar Marg, Lower Parel, Mumbai-400013, Tel : +91-22-62918111

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Date: 18th December, 2024

To,

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001

BSE Scrip Code: 512455

National Stock Exchange of India Limited

Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051

NSE Symbol: LLOYDSME

Sub: Investor Release on Strategic Measures to Enhance Operational Efficiency and Solidify Industry Leadership

Dear Sir/Madam,

With regards to the captioned matter and in compliance with Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) we request you to find attached herewith Investor Release titled “**Lloyds Metals Undertakes Strategic Measures to Enhance Operational Efficiency and Solidify Industry Leadership**”

The aforesaid Investor Release will also be available on the Company’s website at www.lloyds.in.

The same may please be taken on record and suitably disseminated to all concerned.

Thanking you,

Yours Sincerely,

For Lloyds Metals and Energy Limited

Trushali Shah

Company Secretary

Membership No.: ACS61489

LLOYDS METALS & ENERGY LTD

Regd. Office: Ghughus: M.I.D.C Industrial Area, Plot No: A-1 & A-2
Head Office: A2, Madhu Estate, 2nd floor, Pandurang Budhkar Marg,
Lower Parel (W) Mumbai - 400013
Website: www.lloyds.in

Mumbai, 18th December 2024

Lloyds Metals Undertakes Strategic Measures to Enhance Operational Efficiency and Solidify Industry Leadership

Lloyds Metals and Energy Limited (“LMEL”) is pleased to announce a series of strategic initiatives to enhance operational efficiency, optimise costs, and solidify its position as one of the ‘**lowest cost producers**’ in the iron and steel industry. These initiatives are set to create significant long-term value for shareholders and are a major step towards the Company’s vision to build a resilient, low-cost, non-cyclical steel business.

Strategic initiatives being entered into by the Company are:-

1. Acquisition of MDO Operations of Thriveni Earthmovers Private Limited

LMEL is acquiring a 79.82% stake in the Mining Development and Operation (MDO) business of Thriveni Earthmovers Private Limited (“**TEMPL**”) through an investment of ₹ 70 crore in Thriveni Earthmovers and Infra Private Limited (“**TEIL**”), which shall become a subsidiary of LMEL on completion of said investment.

The MDO business of TEMPL is currently in the process of demerger to TEIL, which is currently pending approval from NCLT, Chennai. Pursuant to said scheme of demerger, TEIL shall receive the MDO business of TEMPL and it shall issue RPS worth of ₹ 2,157 Crores to the erstwhile shareholders of TEMPL as a consideration for the receipt of such MDO Business. These RPS issued are expected to be redeemed from the Company's internal accruals over the next few years.

Benefits to LMEL:

- Swift execution at optimised costs for ramping up our mining output from 10 MnT to 55 MnT at Surjagarh Iron Mine in the next few years
- Generate substantial cost savings on iron ore mining on a consolidated basis
- The acquisition comes in with a strategic vision to execute an MDO order book exceeding ₹70,000 crore over the next 15 to 18 years
- The MDO business is projected to have cumulative revenues of ~₹27,000 Crs & EBITDA of ~₹9,000 crores from FY26-28, which shall be consolidated to LMEL profitability.

- Backed by the robust balance sheet of LMEL and Thriveni's extensive engineering and mining services industry expertise, the acquisition will provide a strong foundation to create a significant presence in the global MDO services arena.

2. Ensuring Raw Material Security through Access to Coking Coal Mines

In line with Lloyds Metals' foray into the MDO business and investment in TEIL, LMEL is partnering with Lekcon-NCC Consortium to manage Mine Development and Operations (MDO) at the Brahmadaha Coal Block in Giridih, Jharkhand, which is leased to Andhra Pradesh Mineral Development Corporation (APMDC). TEIL will execute the actual MDO work.

Benefits to LMEL:

- Ensuring a steady and cost-effective supply of critical raw material of coking coal for the upcoming 1.2 MnT steel plant of Lloyds Metals at Ghughus, Chandrapur, Maharashtra.
- Grow the MDO business in the core area of steel raw materials.

3. Investment in Renewable Energy

As part of its commitment to sustainability and cost optimisation, Lloyds Metals plans to invest up to ₹52 crore in renewable energy projects to **secure 100MW of green power for captive consumption for its upcoming grinding unit, slurry pipeline and pellet plant operations**. These power plants are being developed in partnership with Amplus Energy Solutions Pvt Ltd and Hinduja Renewables Energy Private Limited, leading renewable energy power plant developers.

Benefits to LMEL:

- Acquisition of a 26% stake in a renewable power-producing SPV, classifying LMEL as a captive consumer
- Significant cost savings of up to ₹ 100 crore annually for the Mining, grinding, pipeline & pellet operations, with an investment payback period of less than six months and an impressive IRR of 164%.
- Significant reduction in CO2 emissions for the mining, transport & pellet operations, a step towards our commitment to sustainability and carbon emission reductions.
- Partnering with leading players shall help in timely execution and completion of the power plant

Mr. B. Prabhakaran, Managing Director, Lloyds Metals and Energy Limited:

“These series of initiatives provide a clear roadmap for Lloyds Metals to become one of the most efficient players in the industry. The partnership between Lloyds Metals and Thriveni Earthmovers began in 2021 when Thriveni joined as a co-promoter of Lloyds Metals to enhance its mining operations at the Surjagarh Iron Ore Mine. The journey has been nothing short of a dream run, and now, with the entire ambit of Thriveni’s MDO services grouped under Lloyds Metals, the road ahead promises to be even more remarkable. With this acquisition, Lloyds Metals is uniquely positioned to become one of the most efficient integrated steel producers, with a blend of assets and expertise. This marks the beginning of a new chapter in our journey as we prepare for the next phase of growth and prosperity.”

Mr. Rajesh Gupta, Managing Director, Lloyds Metals and Energy Limited:

“These initiatives align with our objective of maintaining strict cost controls and building a non-cyclical steel business with a major focus on improving profitability with resilient margins. These initiatives also mark a milestone in strengthening the bond between co-promoters, making our partnership more united and formidable than ever before. With these measures, we aim to create a unique pool of valuable assets, unlocking significant benefits for all stakeholders and reinforcing our position as a standout player in the industry.”

About Lloyds Metals & Energy Limited

Lloyds Metals and Energy Limited (“LMEL”), incorporated in 1977, is a Direct Reduced Iron (“DRI”) manufacturer and is the largest merchant iron ore miner in Maharashtra, India. It has a 3,40,000TPA capacity for DRI across two Districts in Maharashtra and 34MW waste heat recovery based (“WHRB”) power plant. LMEL has a current capacity of 10 MTPA of iron ore at Surjagarh Village, Gadchiroli district in Maharashtra. With its iron ore mine advantageous location, it's been able to access all the key markets across pan India. Driven by rich cultural values and decades of experience, we constantly seek new ways to revolutionise mining and ironmaking. Sustainability is a priority for our organisation. We relentlessly benchmark our business vision and governance systems, manufacturing and sales processes, and even our customer and community engagement initiatives against global best-in-class standards.

For more information, please contact:



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Safe Harbour: *This document may contain forward-looking statements about the Company, which are based on the beliefs, opinions, and expectations of the Company’s management as of the date of this release, and the Company does not assume any obligation to update their forward-looking statements if those beliefs, opinions, expectations, or other circumstances should change. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. Consequently, readers should not place any undue reliance on such forward-looking statements.*