

Lloyds Metals & Energy Ltd.

COMPANY BACKGROUND.....

- Lloyds Metals & Energy Ltd. (LMEL) was incorporated on 5th April, 1977 as a private company in the name of Nagarjuna Metals and Engineers Pvt. Ltd.
- The company was then listed as Public Company in the year 1986, and changed the name from Lloyds Metals and Engineering to Lloyds Metals and Energy Ltd. in 2011.
- The company has been allotted Mining Lease at Surjagarh Village, Gadchiroli district, which is one of the Maharashtra's major iron ore reserves.
- According to the Maharashtra Government's Directorate of Geology and Mines, the mines had 90 mmtpa of iron ore reserves in 1980. Reevaluations of iron ore reserves in mines indicate reserves of 180+million tons. The final, UNFCC-approved JORC report will be released shortly after, under the aegis of Tata Steel Industrial Consulting Limited, and is anticipated by H1 F.Y. 24.
- In Dec 2021, M/s. Thriveni Earthmovers Pvt. Ltd. was awarded the contract for extraction of Iron ore from Surjagarh iron ore mine as Mine Development Operator (MDO).
- Lloyds Metals & Energy Ltd. has Iron ore beneficiation plant at the Konsari, District Gadchiroli (Maharashtra) and a Captive Power Plant with 30 MW capacity located Ghugus, Chandrapur district, Maharashtra.
- LMEL Received approval to sell iron ore across India and even export globally

KEY STRENGTHS.....

- Management staff with more than 45 years of expertise
- Our Board includes Thriveni Earthmover, one of the major MDOs.
- A large land bank of 278 acres is available.
- Highly skilled workforce
- Long standing customer relationships.
- LMEL has achieved the Zero Accident Target in Year 2014 – 2015.
- Close proximity to raw material (Iron Ore) availability.
- Mining lease of 50 years of 350 Ha land in Surjagarh Village , Gadchiroli District.
- Mine at Surjagadh Received 5 Star Rating from IBM. This prestigious rating is a recognition of LMEL's commitment to safety, environment and productivity.

FINANCIAL PERFORMANCE.....

(INR Mn)	Total Income	EBITDA	EBITDA (%)	PAT	PAT(%)	EPS
FY20	3,973	467	11.75%	318	8.21%	1.42
FY21	2,733	308	11.26%	1	0.04%	0.01
FY22	7,273	1,753	24.10%	973	13.38%	2.78
FY23	34,667	8,847	25.52%	(2,886)	NA	(4.74)

Key Data

BSE Code	512455
NSE Code	-
Reuters	LYMT.BO
Bloomberg	LYDM:IN

Market Data (INR) (As on 31st March 2023)

Face Value	1.0
CMP	284.7
52 Week H/L	324.8/126.1
MCAP (Mn)	1,43,723.1
Shares O/S (Mn)	504.8
1 Yr Avg. Vol. ('000)	226.3

Performance

(As on 31st March 2023)

	3M	6M	12M
Lloyds Metals & Energy Ltd.	13.8%	65.5%	111%
SENSEX	-3.1%	2.8%	0.8%
BSE Smallcap	-7.0%	-5.2%	-4.8%

Shareholding Pattern (As on 31st March , 2023)

Promoters	32.8%
Public	34.3%
Thriveni Earthmover Pvt Ltd	32.8%

PRODUCT MIX

Iron Ore:

- LMEL have been granted mining lease over an area of 348.09 Ha. for iron ore at Surjagarh Village in the state of Maharashtra for 50 years.
- In Dec, 2021, M/s. Thriveni Earthmovers Pvt. Ltd. was awarded the contract for extraction of Iron ore from Surjagarh iron ore mine as Mine Development Operator (MDO).
- the Capacity of the Mine has now been enhanced to 10 Million Tonnes per annum from 3 Million Tonnes per annum.

DRI:

- LMEL uses its own captive iron ore Lumps for its DRI production. Sized ore is received at LMEL Ghugus works, which is subsequently screen for separating 5-18 mm sized ore fine. This is mixed with screen coal received from Western Coalfield coal. This material are then fed in DRI Kiln for getting DRI production.
- LMEL manufactures sponge iron initially at 500 TPD and currently the production capacity is at 2,70,000 TPA at Ghugus village, Chandrapur district, Maharashtra.

Power Plant:

- A 30 MW co-generation Waste Heat Recovery Based Power Plant, for the purpose of recovery of waste energy into productive energy. The cost of Generation is very low at less than INR 2/- Unit, considering that plant is a Waste to Energy Plant.

Upcoming Mineral Based Steel Plant:

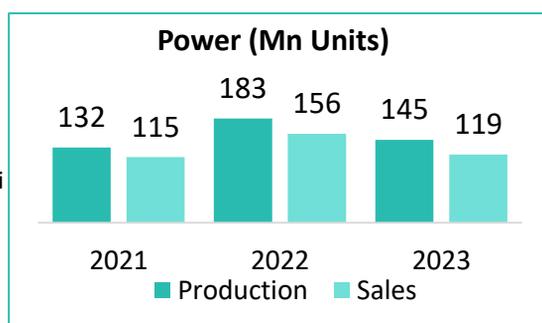
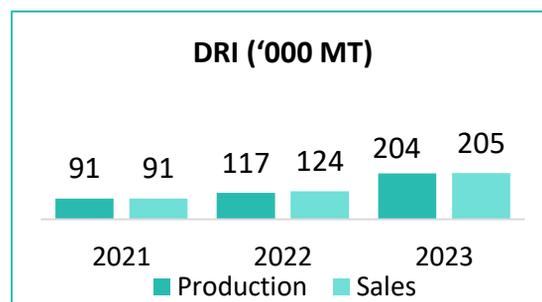
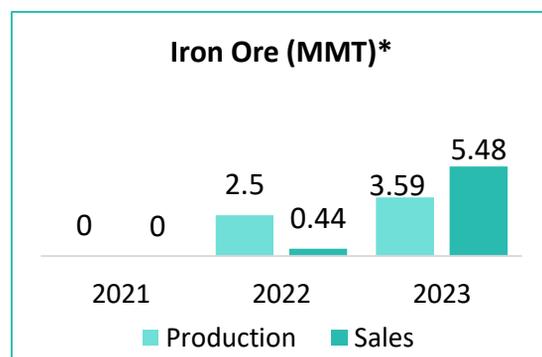
- Received EC for setting up a mineral based Steel plant at Konsari, Gadchiroli district for manufacturing theDRI with capacity of 72,000 MTPA.

STRATEGIC OVERVIEW.....

- Varied product offerings allows it to serve large customer base.
- Mined its annual rated capacity of 3 Mn tonnes of iron ore in FY23 and dispatched 5.3 Mn tonnes.
- The oldest DRI manufacturing unit in central India with current capacity of 2,70,000 TPA.
- Commissioned its 30 MW co-generation Waste Heat Recovery Based (WHRB) Power Plant, for the purpose of recovery of waste energy into productive energy in the year 2010-11.
- Uses approximately 5 MW internally and sells the balance Power to State Board or Power Trading companies.
- In 2017, Company proposed to set up the Mineral based Steel plant at Konsari, Gadchiroli district for manufacturing the Sponge Iron within capacity of 75,000 MT. It's the first major manufacturing plant coming up at the naxal affected district of Gadchiroli.
- Has received EC for implementing 10 MMTPA mining. The company expects a multifold revenue and profitability expansion in coming years.
- LMEL will look at opportunities to expand to downstream units, organically, always keeping in mind Return on Investment.

PEER COMPARISON (TRAILING 12 MONTHS) INR Mn.....

Company	Revenue	EBITDA	EBITDA%	Net Profit	PAT%	Mcap
Lloyds Metals & Energy Ltd.	34,667	8,847	25.52%	(2,886)	NA	1,43,723
NMDC Ltd.	1,76,669	60,525	34.26%	55,377	31.35%	3,27,056
Tata Steel Long Products Ltd	74.641	723	1.0%	(10,855)	NA	28,501
Sarda Energy Minerals Ltd.	42,119	10,602	34.63%	6,029	14.31%	37,934
Godawari Power & Ispat Ltd.	57,530	11,327	19.69%	7,790	13.54%	49,140
Shyam Metalics & Energy Ltd.	1,26,102	15,543	11.8%	8,484	6.8%	67,252



INCOME STATEMENT

INCOME STATEMENT (INR Mn)	FY20	FY21	FY22	FY23
Total Income	3,973	2,733	7,273	34,667
Total Expenses	3,506	2,425	5,520	25,820
EBITDA	467	308	1,753	8,847
EBITDA Margins (%)	11.75%	11.26%	24.10%	25.52%
Finance Cost	161	168	181	650
Depreciation	175	139	180	230
Profit Before Exceptional Items	131	1	878	7,967
Exceptional Items	-	-	(514)	(11,944)
Tax	(187)	-	(95)	(1,091)
Profit After Tax	318	1	973	(2,886)
PAT Margins (%)	8.21%	0.04%	13.38%	NA
Other Comprehensive Income	(3)	5	8	21
Total Comprehensive Income	315	6	981	(2,865)
Diluted EPS (INR)	1.42	0.01	2.78	(4.74)

BALANCE SHEET

Particulars (INR Mn)	FY21	FY22	FY23
Equity			
(a) Equity Share Capital	253	370	505
(b) Other Equity	1,568	4,446	14,783
Total Equity	1,821	4,816	15,289
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	932	567	-
(ii) Lease Liability	6	4	22
(iii) Other Non Current Liabilities	2,822	1,615	-
(b) Provisions	57	54	225
Total Non-Current Liabilities	3,817	2,240	247
Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liability	2	2	6
(ii) Borrowings	97	-	-
(iii) Trade Payables	353	152	745
(iv) Other Financial Liabilities	777	745	16
(b) Provisions	103	139	121
(c) Other Current Liabilities	232	144	3,834
Total Current Liabilities	1,564	1,182	4,723
TOTAL EQUITY AND LIABILITIES	7,203	8,238	20,260

Particulars (INR Mn)	FY21	FY22	FY23
Non-Current Assets			
(a) Property, Plant and Equipment	3,609	3,991	4,746
(b) Capital Work in Progress	847	859	3,731
(c) Right to use account	8	6	578
Financial Assets	-	-	-
(d) Investments	1	2	1
(e) Deferred Tax Assets	187	282	1,374
(f) Other Non-Current Assets	7	9	363
Total Non-Current Assets	4,660	5,149	10,793
Current Assets			
(a) Inventories	1,157	1,668	2,698
(i) Trade Receivables	69	237	245
(ii) Cash and Cash Equivalents	4	137	275
(iii) Other Bank Balances	76	82	2,370
(iv) Other Financial Assets	176	200	368
(v) Prepayments	-	-	251
(b) Other Current Assets	1,060	765	3,261
Total Current Assets	2,543	3,089	9,467
TOTAL ASSETS	7,203	8,238	20,260

Name	Designation	Email	Phone
Anuj Sonpal	CEO	anuj@valoremadvisors.com	+91-22-4903-9500
Pranav Nagarkar	Associate	pranavn@valoremadvisors.com	+91-22-4903-9505

Valorem Advisors Disclaimer:

Valorem Advisors is an Independent Investor Relations Management Service company. This factsheet has been prepared by Valorem Advisors based on information and data which the Company considers reliable, but Valorem Advisors and the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded. Valorem Advisors also hereby certifies that the directors or employees of Valorem Advisors do not own any stock in personal or company capacity of the Company under review.

Lloyds Metals & Energy Ltd Disclaimer:

No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Such information and opinions are in all events not current after the date of this presentation. Certain statements made in this presentation may not be based on historical information or facts and may be “forward looking statements” based on the currently held beliefs and assumptions of the management of Lloyds Metals & Energy Ltd (“Company”), which are expressed in good faith and in their opinion reasonable, including those relating to the Company’s general business plans and strategy, its future financial condition and growth prospects and future developments in its industry and its competitive and regulatory environment.

Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance or achievements of the Company or industry results to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements, including future changes or developments in the Company’s business, its competitive environment and political, economic, legal and social conditions. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements to reflect future events or developments.

This presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. This presentation does not constitute an offer or invitation to purchase or subscribe for any securities in any jurisdiction, including the United States. No part of it should form the basis of or be relied upon in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities. None of our securities may be offered or sold in the United States, without registration under the U.S. Securities Act of 1933, as amended, or pursuant to an exemption from registration there from.

This document is confidential and may not be copied or disseminated, in whole or in part, and in any manner.