



LOYAL EQUIPMENTS

LIMITED

11TH ANNUAL REPORT 2017-18

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COMPANY INFORMATION

Board of Directors

Mr. Rameshchandra Nathalal Patel

Chairman cum Whole Time Director

Mr. Alkesh Rameshchandra Patel

Managing Director

Mrs. Jyotsanaben Rameshchandra Patel

Whole Time Director

Mr. Babubhai Patel

Non-Executive Independent Director

Mr. Girish Nathubhai Desai

Non-Executive Independent Director

Mr. Kalpesh Lalitchandra Joshi

Non-Executive Independent Director

Chief Financial Officer

Mr. Amitkumar Chandubhai Patel

Company Secretary & Compliance Officer

Ms. Komal Manoharlal Motiani

Registered Office

Block No. 35/1-2-3-4, Village Zak,

Dahegam, Gujarat-382330, India

Tel No.: +91-2718-247236, +91-2716-269399, Fax No.: +91-2716-269033

E-mail: cs@loyalequipments.com ; Website: www.loyalequipments.com

CIN: L29190GJ2007PLC050607

Statutory Auditor

M/S. J.M. Patel & Bros.,

Chartered Accountants

204-205-206, Harsh Aevenue, Second Floor,

Navjivan Press Road off Ashram Road,

Navijan Post, Ahmedabad-380014, Gujarat

Tel No.: +91-079-27541460, 27541560

E-mail: jmpatelca@yahoo.co.in

Contact Person: CA Jaswant Mannilal Patel

Secretarial Auditor

M/s Sharma Vivek & Associates,

Practicing Company Secretaries

23 KA-4, Jyoti Nagar, Near Vidhan Sabha,

Jaipur-302005, Rajasthan

Tel No.: +91-9001637075

E-mail: csviveksharma9@gmail.com

Contact Person: CS Vivek Sharma

Shares Listed at

BSE Limited

P.J. Tower, Dalal Street, Fort,

Mumbai – 400001, Maharashtra, India

Depositories

National Securities Depository Limited

Central Depository Services (India) Limited

Contact Person for Investors

Ms. Komal Manoharlal Motiani

Company Secretary and Compliance Officer

Block No. 35/1-2-3-4, Village Zak,

Dahegam, Gujarat-382330, India

Tel No.: +91-2718-247236,

Fax No.: +91-2716-269033

E-mail: cs@loyalequipments.com

Website: www.loyalequipments.com

Registrar and Share Transfer Agent

SHAREX DYNAMIC (INDIA) PVT. LTD

Unit-1, Luthra Industrial Premises,

Safed Pool, Andheri Kurla Road, Andheri (E),

Mumbai – 400072, Maharashtra.

Tel. No.: 91-22 – 28515606/44 Fax No.: 91-22 – 28512885

Website: www.Sharexindia.com

Investor Grievance Email: investor@sharexindia.com

Email: info@sharexindia.com

Contact Person: Mr. K C Ajitkumar

SEBI Regn. No. INR000002102

Bankers

Kotak Mahindra Bank Limited

BOARD OF DIRECTORS



Mr. Rameshchandra Nathalal Patel
Chairman & Whole Time Director



Mr. Alkesh Rameshchandra Patel
Managing Director



Mrs. Jyotsanaben Rameshchandra Patel, Whole Time Director



Mr. Babubhai Patel
Non-Executive & Independent Director



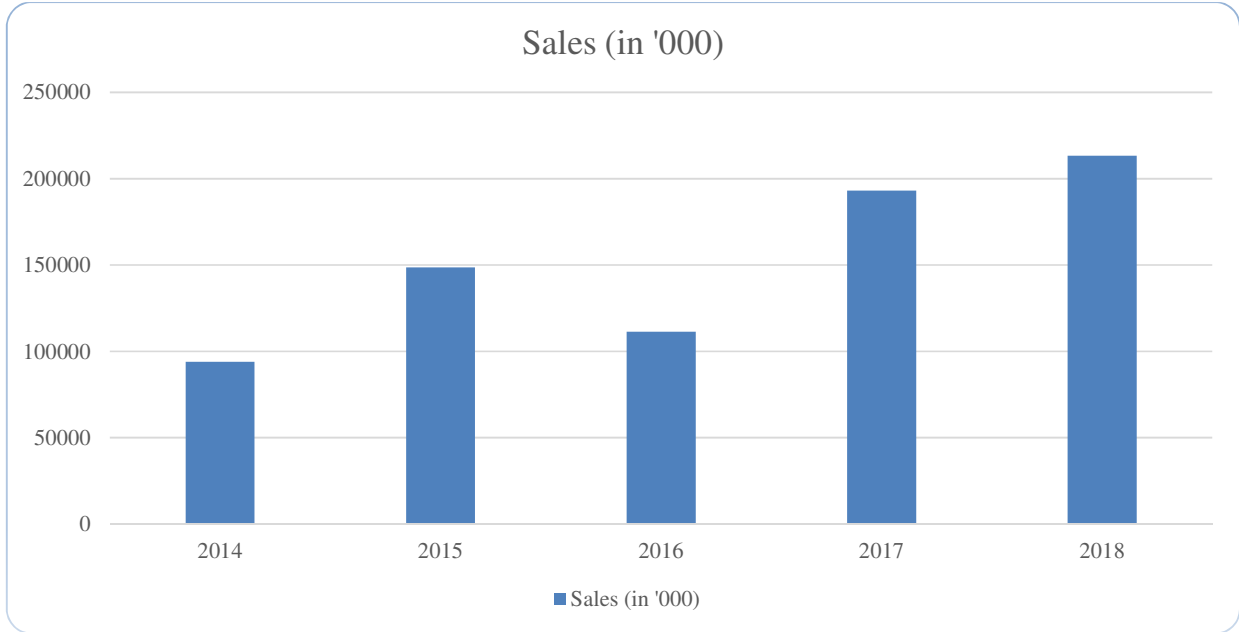
Mr. Girish Nathubhai Desai
Non- Executive & Independent Director



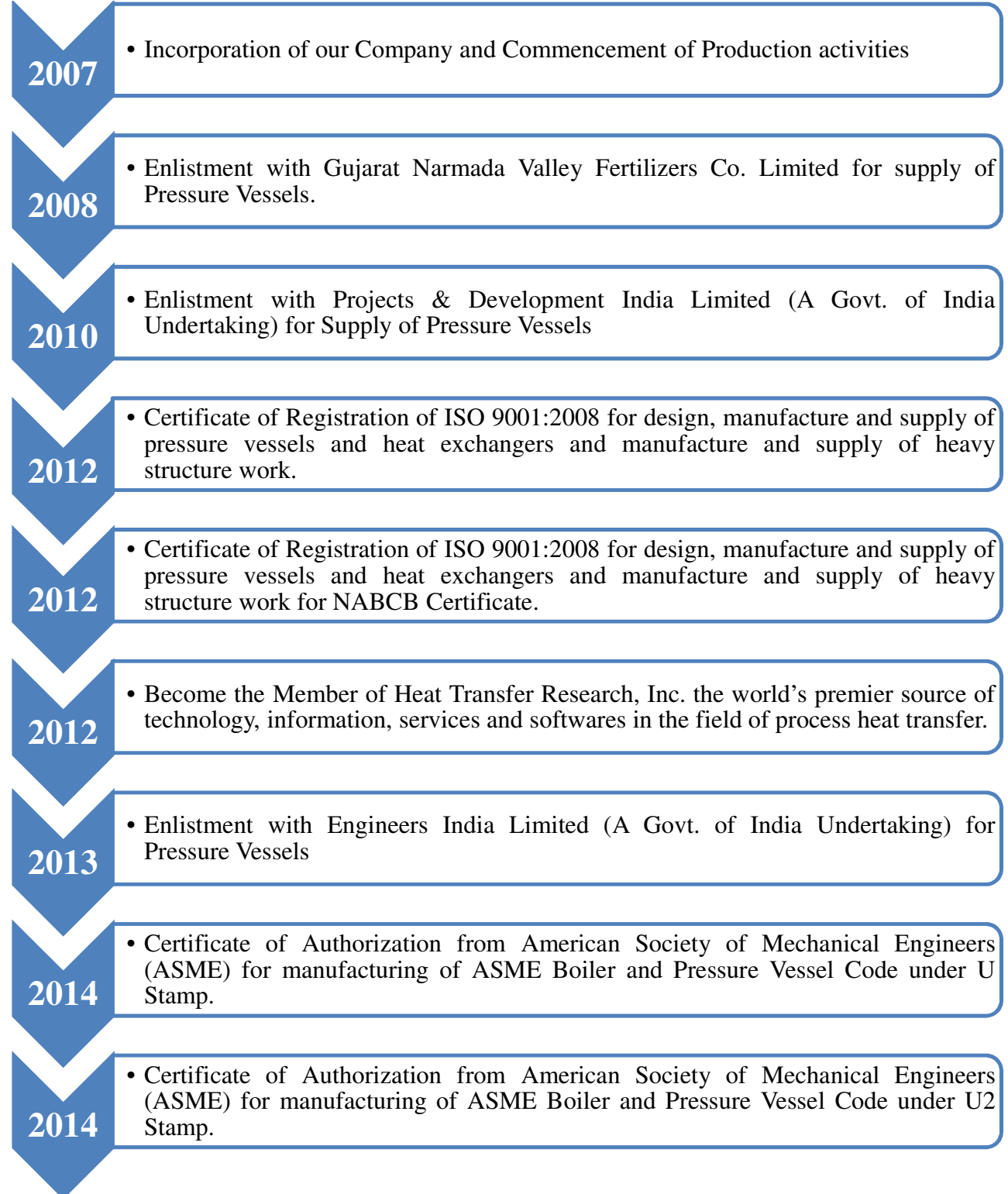
Mr. Kalpesh Lalitchandra Joshi
Non-Executive & Independent Director

PERFORMANCE HIGHLIGHTS

Over the past five years, we significantly enhanced our size, scale, scope, asset profile. This has been reflected in our promising turnover.



OUR JOURNEY OVER THE YEARS



- 2014** • Certificate of Authorization from The National Board of Boiler & Pressure Vessel Inspectors for NB mark.
- 2014** • Enlistment with Engineers India Limited (A Govt. of India Undertaking) for Heat Exchangers.
- 2014** • Enlistment Certificate with The National Small Industries Corporation Limited (A Government of India Enterprise)
- 2014** • Enlistment with Gujarat State Petronet Limited for Supply of Pressure Vessels
- 2015** • Conversion of our Company from Private Limited to Public Limited Company.
- 2015** • Listed on BSE SME through Initial Public Offer of the Company.
- 2016** • New dust free, Epoxy painted floor assembly shop created for auxiliary skid packaging.
- 2017** • Receive certificate of Appreciation from Burckhardt Compression for Best Supplier of Pressure Vessel & heat Exchanger.
- 2017** • Awarded by "IPF Industrial Excellence Award" for 'Fastest Growing Company' at BSE Limited.
- 2018** • JSRS Certificate issued by Oman Ministry of Oil & Gas and business gateways.
- 2018** • The Company has been migrated and Listed on Main Board of BSE Limited from SME Platform of BSE Limited (BSE SME).
- 2018** • Enlistment with Air Liquid for the supply of Column, Pressure Vessles, Heat Exchangers & Skids.
- 2018** • Started New Product - Modular Process Plants.

Our Successfully Executed Orders



Cooling Water Console Package
 Client - Rapid Petronas Malaysia
 End User- Burckhardt Compression



Cooling Lube Oil Console Package
 Client - ILAM Project, Iran
 End User- Burckhardt Compression



Pressure Vessel
 Client - L&T
 End User- Cairn Energy



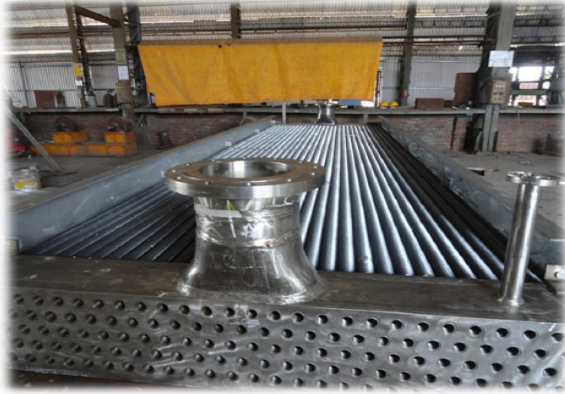
Pressure Vessels
 Client - Dresser Rand
 End User- Petro Bras Brazil



Shell & Tube Heat Exchanger
 Client - Dresser Rand
 End User- Madura Strait BD Field Development



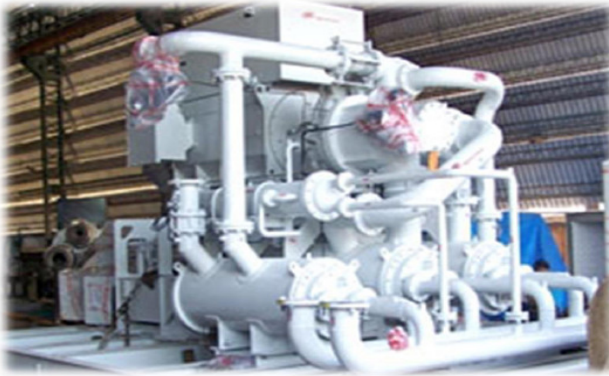
Shell & Tube Heat Exchanger
 Client - Reliance Industries Ltd
 End User- Reliance Industries Ltd



Air Cooled Heat Exchanger
Client - ONGC
End User- ONGC



Air Cooled Heat Exchanger
Client - Dresser Rand
End User- Daleel Petroleum UAE



Air Compressor Package
Client - Ingersoll Rand
End User- Maruti Motors



Air Compressor Package
Client - Ingersoll Rand
End User- Reliance Jamnagar



Aux. Skid packaging -Cooling water console
Client - Dresser rand
End User- Inelectra- Colombia



Aux. Skid packaging -Cooling Water Console
Client - Dresser rand
End User- Samir Morocco



Cryogenic Hydrogen Recovery Unit (CHRU)
Client: - Linde Engineering India Pvt. Ltd.
End User:- Ramagundam Fertilizers & Chemicals Limited (RFCL) Telangana

Our Global Presence

Loyal Equipments Limited has experienced in both Export and Indigenous job in various countries such as:-

India, U.S.A., Venezuela, Brazil, Taiwan, Iran, Saudi Arabia, Oman, Bangladesh, Chile, Korea, Suriname N.V, AL Jubail, Algeria, , Dominican Republic, Singapore, Jordon , Malaysia, Morocco, Bolivia , Indonesia, Qatar, Columbia



LETTER TO THE SHAREHOLDERS



Alkesh Rameshchandra Patel, Managing Director

Dear Member(s),

With great pleasure, I welcome you to the 11th Annual General Meeting of Your Company.

We have come along one more year of moving ahead in emerging opportunities in global and domestic markets. Incorporated in 2007, the Company has come a long way of eleven years from the year of Incorporation to successful completion of SME Listing of three years. Now, the Company has been migrated from SME Platform of BSE Limited to Main Board of BSE Limited. Hence, the shares of Company are listed on BSE Limited and traded on Main Board of BSE Limited.

Today I am proud to be at the helms of the Company that is run by the team of enthusiastic and dedicated employees who have led the Company to newer heights successfully. In the year 2017-18, your company has crossed the turnover of Rs. 21.33 Crores with appreciation of 10.51%. Further the company has received various order from India and Outside India for supply of Pressure Vessels and other Equipments. The years 2017-18 is one of great year of your Company with crossing the new target in terms of turnover and in term of order receive from various client which will boost our turnover and profit in coming years.

Additionally, road ahead is filled with so many challenges as well as opportunities and we are ready to face all the challenges from Market and to grab the opportunities in the best interest of your Company.

To proceed, the Board believes that the Company will need to follow a very sharp business strategy so that it will possible for the Company to compete with others and fulfill the needs of the society. The endeavour of the Company's management is always striving towards the optimal results and strengthening the relationship with the society. With your support, I am confident of leveraging opportunities and overcoming challenges to report exciting success in the coming times as well.

At the close, I would like to thank the entire team at Loyal Equipments Limited for an outstanding year which is reflective of their efforts, dedication and commitment to success.

I would like to place on record my sincere appreciation to the Board of Directors for their guidance. I would like to express my gratitude to all our stakeholders for their continuing faith in the Company and I look forward for their support, trust and confidence.

Wish best wishes

Sincerely

Alkesh Rameshchandra Patel

Managing Director

June 27, 2018

NOTICE

Notice is hereby given that the Eleventh Annual General Meeting of Loyal Equipments Limited will be held on Friday, July 27, 2018 at 11.00 A.M. at the registered office situated at Block No. 35/1-2-3-4 Village – Zak, Dahegam, Gandhinagar - 382330 Gujarat, India to transact the following business:

ORDINARY BUSINESS:

Item No. 1: To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2018, together with the Reports of the Board of Directors and the Auditors thereon; and

Item No. 2: To appoint a Director in place of Mr. Rameshchandra Nathalal Patel (DIN-01307699) who retires by rotation and, being eligible, offers himself for re-appointment.

“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Rameshchandra Nathalal Patel (DIN-01307699) who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

Item No. 3: To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) there-to or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of the Audit Committee and pursuant to the resolution passed by the members at the 7th Annual General Meeting of the Company held on September 30, 2014, the appointment of M/s J. M. Patel & Bros., Chartered Accountants, Ahmedabad (Firm Registration No. 107707W), as the Statutory Auditors of the Company, to hold office till the conclusion of the 12th Annual General Meeting to be held in the calendar year 2019, be and is hereby ratified for the financial year 2018-19 and that the Board be and is hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors.”

**By order of the Board of Directors
For Loyal Equipments Limited**

**Sd/-
Alkesh Rameshchandra Patel
Managing Director
DIN - 02672297**

**Place – Gandhinagar, Gujarat
Date – June 27, 2018**

NOTES:

1. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the commencement of the AGM. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions / authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to

be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. If a Person is appointed as Proxy for more than 50 Members, he shall choose any 50 Members and confirm the same to the Company 24 hours before the commencement of the Meeting. In case, the Proxy fails to do so, the Company shall consider only the first 50 proxies received in respect of such person as valid.
3. Brief Resume of the Director(s) seeking re-appointment, as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 {SEBI (LODR) Regulations, 2015} is annexed hereto and forms part of Notice.
4. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, July 21, 2018 to Friday, July 27, 2018 (both days will be inclusive).
6. Members, Proxies and Authorised Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No. They are also requested to bring their copy of the Annual report to the Annual General Meeting.
7. The route map and prominent landmark of the venue of the Annual General Meeting as required under Secretarial Standards on the General Meeting is annexed herewith as with this Report.
8. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Sharex Dynamic India private Limited ('the RTA') to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to the RTA.

The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Sharex Dynamic India Private Limited (RTA).

9. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or RTA for assistance in this regard.
10. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
11. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting and number of shares held by them.
12. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

13. Members seeking any information with regard to the accounts, are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the AGM.
14. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13.
15. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.
16. The Notice of the AGM along with the Annual Report 2017-18 along with the Attendance Slip and Proxy Form is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2017-18 will also be available on the Company's website viz. www.loyalequipments.com.
17. **To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with DPs. The registered e-mail address will be used for sending future communications.**
18. Members are requested to:-
 - (a) note that copies of annual Report will not be distributed at the AGM and they will have to bring their copies of annual Report;
 - (b) bring the Attendance Slip at the venue duly filled-in and signed for attending the meeting, as entry to the AGM Place will be strictly on the basis of the Entry Slip available at the counters at the meeting venue in exchange of the attendance Slip;
 - (c) quote their Folio / Client ID & DP ID Nos. in all correspondence with the Company / R&TA;
 - (d) note that no gifts / coupons will be distributed at the AGM.

VOTING THROUGH ELECTRONIC MEANS:

19. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (LODR) Regulations, 2015 and Secretarial Standards on General Meetings issued by ICSI, the Company is offering e-voting facility to the shareholders to enable them to cast their votes electronically on the items mentioned in the Notice. The e-voting services provided by CDSL on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.
20. The facility for voting, either through electronic voting system or polling paper shall also be made available at the AGM and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the AGM.
21. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
22. **The instructions for shareholders voting electronically are as under:**
 - (i) The voting period begins on Tuesday, July 24, 2018 from 9.00 A.M and ends on Thursday, July 26, 2018 at 5.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in

dematerialized form, as on the cut-off date on Friday, July 20, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The e-voting module shall be disabled by CDSL for voting thereafter.

- A. Members whose e-mail address are registered with the Company / Depository Participants will receive an email from CDSL Informing your ID and password:
1. Open e-mail and open PDF file viz., “remote e- voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 2. Launch internet browser by typing the following: URL: <https://www.evotingindia.com>
 3. Click on Shareholders/Member- Login
 4. If you are already registered with CDSL for e-voting, then you can use your existing user ID and password for casting your vote.
 5. If you are logging in for the first time, please enter the User ID and password provided in the pdf file attached with the e-mail as initial password. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
 6. Now Enter your User ID
For CDSL: 16 digits beneficiary ID,
For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 Members holding shares in Physical Form should enter Folio Number registered with the Company.
 7. Next enter the Image Verification as displayed and Click on Login.
 8. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 9. If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|--|
| PAN | Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction 6. |

10. After entering these details appropriately, click on “SUBMIT” tab.

11. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
12. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
13. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
14. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
15. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
16. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
17. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
18. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
19. If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
20. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
21. Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
22. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com , under help section or write an email to helpdesk.evoting@cdslindia.com



23. Any person who acquired shares of the company and becomes shareholders of the company after dispatch of the Notice of AGM and holds shares as of the cut-off date i.e. Friday, July 20, 2018, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com of Issuer/RTA.
24. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off dated Friday, July 20, 2018.
25. The board of directors has appointed Mr. Arpit Gupta (Membership No. - 421544), Practicing Chartered Accountants, Partner of M/s A Y & Company (Formerly Known as M/s Arpit R Gupta & Company) (504, Fifth Floor, ARG Corporate Park, Ajmer Road, Gopalbari Jaipur-302006, Rajasthan, India) as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.
26. The Scrutinizer shall after the conclusion of voting at the general meeting will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e- voting in the presence of at least two witnesses not in the employment of the company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any to the chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
27. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.loyalpequipments.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to Stock Exchange.
28. The Company is not providing Video Conferencing facility for this meeting.
29. The entire Annual Report is also available on the Company's website www.loyalequipments.com.

**By order of the Board of Directors
For Loyal Equipments Limited**

Sd/-

**Alkesh Rameshchandra Patel
Managing Director
DIN - 02672297**

Place – Gandhinagar, Gujarat
Date – **June 27, 2018**

BRIEF RESUME OF THE DIRECTOR(S) SEEKING RE-APPOINTMENT AT THE 11TH ANNUAL GENERAL MEETING TO BE HELD AT JULY 27, 2018.

| | |
|--|---|
| Particulars | Mr. Rameshchandra Nathalal Patel |
| Date of Birth | 23/10/1946 |
| Date of Appointment | 13/06/2015 |
| Qualifications | Senior Higher Secondary |
| Expertise in specific functional areas | Mr. Rameshchandra Nathalal Patel is the Chairman & Whole Time Director of our Company. He is one of the founder promoters of our Company. He has overall experience of 42 Years in the business activities such as manufacturing of equipment for petro-chemicals and chemical plants, power plants, fertilizers and gas processing plants, petroleum refineries and compressor industries, pharmaceutical plants, dairy plants |
| Directorships held in other public companies (excluding foreign companies and Section 8 companies) | None |
| Memberships/ Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.) | None |
| Number of shares held in the Company | 21,00,000 |
| Relationships with other Directors, Manager and other Key Managerial personnel | The appointee and Managing Director related to each other as Father and Son and appointee with other Whole Time Director as Husband and Wife. |
| Details of remuneration paid / sought to be paid | Rs. 30,00,000 |
| Number of meetings of the Board attend during the year | The number of meetings of the Board attended during the year are mentioned in the Corporate Governance Report forming part of Annual Report of the Company for the financial year 2017-18. |
| DIN | 01307699 |

DIRECTORS' PROFILE

Mr. Rameshchandra Nathalal Patel, Chairman & Whole Time Director (DIN: 01307699)

Mr. Rameshchandra Nathalal Patel is the Chairman & Whole Time Director of our Company. He has been on the Board since incorporation. He has more than 43 years of experience in the equipments manufacturing sector. He has experience of working in equipments manufacturing Company i.e. Ingersoll Rand India Limited for a period of 20 years at an initial stage. Under his dynamic leadership and vast experience, he is able to deliver constant value to our Company's projects and expansion strategy. He has overall experience of 43 Years in the business activities such as manufacturing of equipment for petro-chemicals and chemical plants, power plants, fertilizers and gas processing plants, petroleum refineries and compressor industries, pharmaceutical plants, dairy plants. Being an early starter he has worked on almost all levels of the organization which helps him understand and handle major functions of our Company. His varied experience and varied helps us work united towards the same goals of the vision set by the management. Under his guidance our Company witnessed continued growth.



Mr. Alkesh Rameshchandra Patel, Managing Director (DIN: 02672297)



Mr. Alkesh Rameshchandra Patel is the Managing Director of our Company. He has been on the Board since incorporation. He has more than 25 years of experience in the equipments manufacturing sector. He started his initial stage in field of technician and got certificate for completing the course in Maintenance Technician from Technical Examination Board, Gujarat. Having active involvement in activities of the Company including manufacturing, designing, and development of customize product and marketing of all equipments manufactured. His dynamism helps us cope with the work pressures efficiently and effectively and in execution of all operations specifically related to production and business activities of our Company.

Mrs. Jyotsanaben Rameshchandra Patel, Whole Time Director (DIN: 01307770)

Mrs. Jyotsanaben Rameshchandra Patel is the Whole Time Director of our Company. She is one of the founder promoters of our Company. She is having sound and rich experience of our Industry and she looks after overall administration and co-ordination of the Company.





Mr. Babubhai Patel, Non-Executive & Independent Director (DIN: 00116495)

Mr. Babubhai Patel is Non Executive & Independent of the Company with having degree in Economics and Law along with masters in Labour Welfare from Gujarat University and Diploma in Personnel Management from London School of Economics and Political Science. He has experience of 58 years in field of Human Resource Management. He was Secretary General with Gujarat Chamber of Commerce and Industry and was Member on Board of Directors of Ahmedabad Stock Exchange Limited.

Mr. Girish Nathubhai Desai, Non- Executive & Independent Director (DIN: 02824731)

Mr. Girish Nathubhai Desai is Non Executive & Independent of the Company and is Graduate in field of Mechanical Engineering from Gujarat University with having 48 years of experience in field of designing material management, projects and operation in managerial cadre. He has a vast experience in equipment manufacturing industry.



Mr. Kalpesh Lalitchandra Joshi, Non-Executive & Independent Director (DIN: 07210197)

Mr. Kalpesh Lalitchandra Joshi is Non Executive & Independent of the Company with having 23 years of experience in field of equipment manufacturing industry. He has vast experience in purchase, supply chain and strategic sourcing and international sourcing function of pressure vessels. Also he has experience of structural fabrication, piping, and storage tanks manufacturing.



BOARD'S REPORT

To

The Shareholders,

Your Directors have pleasure in presenting the 11th (Eleventh) Annual Report together with the Audited Financial Statements of your Company for the financial year ended March 31, 2018.

1. FINANCIAL RESULTS:

The Company's financial performance for the year ended March 31, 2018 is summarized as below:

(Amount in '000)

| Particulars | Current Year 2017-18 | Previous Year 2016-17 |
|--|-------------------------|--------------------------|
| Revenue from operations | 213335.11 | 193041.46 |
| Other income (net) | 2091.56 | 1798.35 |
| Total Income | 215426.67 | 194839.81 |
| Less: | | |
| Operating & Administrative expenses | 173012.01 | 149480.66 |
| Profit Before Depreciation Interest & Tax | 42414.66 | 45359.15 |
| Less: | | |
| Depreciation and amortization expense | 11234.26 | 9766.26 |
| Finance costs | 3441.11 | 3050.97 |
| Profit before exceptional item and tax | 27739.29 | 32541.92 |
| Exceptional item | - | - |
| Profit before tax (PBT) | 27739.29 | 32541.92 |
| Tax expense | 7830.29 | 10707.09 |
| Profit after tax for the year (PAT) | 19909.01 | 21834.83 |
| EPS (Rs.) | 2.34 | 3.21 |

2. OPERATION & REVIEW:

Revenue from the operations of your Company for the year 2017-18 was Rs. 21,33,35,110/-, 10.51% higher than Rs. 19,30,41,463/- in the previous year. Profit before Depreciation Interest & Tax for the current year was Rs. 4,24,14,660/- against Rs. 4,53,59,150/- in the previous year. Profit after Tax for the current year at Rs. 1,99,09,010 was decreased by 8.81% over Rs. 2,18,34,830/- in the previous year. Detailed report on operations of and structure of Business of the Company has been included in Management Discussion and Analysis Report, which forms part of this Annual Report.

3. RISK MANAGEMENT AND INTERNAL CONTROL

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. The Company at regular intervals monitors the financial, operational, legal risk to the Company through procedures like audit, inspections etc.

There is no risk, which in the opinion of the Board may threaten the existence of the Company. The internal financial controls are adequate and are monitored at regular intervals.

4. DIVIDEND

The Board thinks that the profits should be retained for the expansion of the Company, which is in pipeline for more growth and value addition to the company and forming a strong business base so that revenue flows from many channels and hence the Directors of your Company do not recommend any dividend for FY 2017-18.

5. SHARE CAPITAL

As on March 31, 2017, The Authorised share capital of the Company was Rs. 800 Lacs consisting of 80 Lacs equity shares of Rs. 10 each and during the financial year 2017-18, the Authorised Capital of the Company was increased from 800 Lacs to 1500 Lacs as approved by the shareholders of the Company in its 10th Annual General Meeting held on August 29, 2017

During the financial year 2017-18, the shareholders of the company in the 10th AGM, also approved the proposal for issue of Bonus Shares in the ratio 1:2 (i.e. One new equity share of Rs. 10 each for every Two existing equity share of Rs. 10 each) Subsequently, 34,00,000 bonus shares were issued & allotted on September 29, 2017. Consequent to issue of Bonus shares, the Issued and Paid up Share Capital of the Company was increased from Rs. 680 Lacs consisting of 68,00,000 equity shares of Rs. 10/- each to Rs. 1020.00 Lacs consisting of 1,02,00,000 equity shares of Rs. 10/- each.

6. TRANSFER TO RESERVES

The Company has not transferred any amount to the General Reserve account during the reporting period.

7. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the period under review, there is no unpaid/unclaimed dividend which is required to transfer in IEPF (Investor Education and Protection Fund) as per the provisions of the Companies Act, 2013.

8. MANAGEMENT AND DISCUSSION ANALYSIS REPORT:

A Separate report on Management Discussion and Analysis Report as required under clause 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been presented in a separate section forming part of this Annual Report.

9. CHANGE IN NATURE OF THE BUSINESS

There was no change in the nature of business of the Company during the year under review.

10. HUMAN RESOURCE DEVELOPMENT

The Company sees its employees as critical to the future and believes that every employee needs to possess apart from competence, capacity and capabilities, sustainable values, current and contemporary which would make them useful and relevant and competitive in managing the change constructively for overall growth of the organization. To this end the company's approach and efforts are directed towards creating a congenial work atmosphere for individual growth, creativity and greater dedicated participation in organizational development. The Company believes that the success of an organization largely depends on the quality of its workforce. Employee relations remained cordial and peaceful throughout the year.

11. QUALITY INITIATIVES:

The Company is committed to the highest level of quality and continuous improvement programme are organized at all the level. The manufacturing operation of the Company is ISO 9001:2008, U-Stamp and U2- Stamp certified by the independent originations.

12. SUBSIDIARY COMPANIES:

The Company does not have any subsidiary companies hence Your Company is not required to present the consolidated financial statement as per the requirement of the provision of Section 136 of the Companies Act, 2013.

13. MATERIAL CHANGES AND COMMITMENTS

There is no material change and commitments affecting the Financial Position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relates and the date of the report.

14. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Rameshchandra Nathalal Patel, Chairman & Whole Time Director is liable to retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer himself for re- appointment.

A Statement on declaration given by Independent Directors under section 149 sub-section (6) is given by Independent Director of the Company

There was no change in any Key Managerial Personnel of the Company during the year.

15. NUMBER OF MEETINGS OF THE BOARD

Ten (10) meetings of the board were held during the year. For details of the meetings of the board, please refer to the Corporate Governance Report, which forms part of this report.

16. BOARD EVALUATION

The Board evaluated the effectiveness of its functioning and that of the Committees and of individual directors by seeking their inputs on various aspects of Board/Committee Governance. The evaluation covered functioning and composition of the Board and its committees, understanding of the roles and responsibilities, experience, competencies, participation at the Board and Committee meetings, corporate governance practices etc.

Evaluation of the Board and its compositions was carried out through a defined process covering the areas of the Boards functioning viz. composition of the Board and Committees, understanding of roles and responsibilities, experience and competencies, contribution at the meetings etc.

17. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

Pursuant to the requirement of Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy on appointment of Directors including criteria for determining qualifications, positive attributes, independence of a Director and the policy on remuneration of Directors, KMP and other senior management has been disclosed in the corporate governance report, which forms part of this report.

18. AUDIT COMMITTEE

During the year under review, the Company constituted the Audit Committee and the primary objective is to monitor and supervise the financial reporting, to ensure accurate and timely disclosures, transparency, integrity and quality of financial reporting. As of the date of this report, the audit committee is comprised of Mr. Babubhai Patel (Chairman), Mr. Rameshchandra Nathalal Patel (Member) and Mr. Kalpesh Lalitchandra Joshi (Member).



19. STATUTORY AUDITORS

J. M. Patel & Bros., Chartered Accountants, who are the statutory auditors of the Company, hold office until the conclusion of the ensuing AGM and are eligible for re-appointment. Members of the Company at the AGM held on 30th September, 2014 had approved the appointment of J. M. Patel & Bros. as the Statutory Auditors for a period of five years from the conclusion of the Annual General Meeting held on 30th September, 2014 till the conclusion of Annual General Meeting of the Company to be held in calendar year 2019. As required by the provisions of the Companies Act, 2013, their appointment should be ratified by members each year at the AGM. Accordingly, requisite resolution forms part of the notice convening the AGM. The auditors' report does not contain any qualifications, reservations or adverse remarks.

20. SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Vivek Sharma, Proprietor of M/s Sharma Vivek & Associates, Company Secretary in practice to undertake the Secretarial Audit of the Company for the year under review. The Board has duly reviewed the Secretarial Auditor's Report and the comments, appearing in the report are self-explanatory and do not call for any further explanation by the Board of Directors as provided under section 134 of the Act. The Secretarial Audit Report is annexed herewith as "Annexure-IV".

21. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

22. VIGIL MECHANISM /WHISTLE BLOWER POLICY

As per the provisions of Section 177 (9) & (10) of the Companies Act, 2013 read with Regulation 22 of Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has a Whistle Blower Policy with a view to provide vigil mechanism to Directors, employees and other stakeholders to disclose instances of wrong doing in the workplace and report instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Whistle Blower Policy also states that this mechanism should also provide for adequate safeguards against victimization of Director(s)/ Employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

23. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

During the Financial Year 2017-18, the Company has not received any complaints of sexual harassment.

24. TRANSACTIONS WITH RELATED PARTIES

Pursuant to the provisions of Section 134 (3) read with Section 188 (2) of the Companies Act, 2013, details of transaction for the year under review are given in Form AOC-2 as Annexure-III to this report and in the section on Related Party Transactions in Corporate Governance Report.

25. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT 9 as per provisions of Companies Act, 2013 and rules there to be annexed to this report as "Annexure - II".

26. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014 in respect of employees of the Company will be provide upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto excluding the information on employee's particulars which is available for inspection by members at the registered office of the Company during the business hours on all working days of the Company up to the date of ensuing Annual General Meeting of the Company. If any member is interested in inspection the same, the member may write to the Company Secretary in advance.

27. DEPOSITS FROM PUBLIC

Your Company has not accepted any Fixed Deposits as defined under Section 73 of the Companies Act, 2013 and rules framed thereunder.

28. DIRECTORS' RESPONSIBILITY STATEMENT

As required by Section 134 (5) of the Companies Act, 2013, the Directors hereby confirm:

- (i) in the preparation of the annual financial statements, applicable accounting standards have been followed and there are no material departures from the said standards;
- (ii) such accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2018 and of the profit of the company for the year ended on that date;
- (iii) proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for prevention and detection of fraud and other irregularities;
- (iv) the annual financial statements have been prepared on a going concern basis;
- (v) proper internal financial controls are in place and are adequate and are operating effectively; and
- (vi) the systems to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively.

29. CORPORATE SOCIAL RESPONSIBILITY

The Company is not falling under the criteria as mentioned in the Section 135 of the Companies Act, 2013 and rules made thereof which specifies the requirement of forming the Corporate Social Responsibility Committee.

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

Details of the energy conservation, technology absorption and foreign exchange earnings and outgo are annexed to this report as "Annexure – I".

31. 'THINK GREEN, GO GREEN' INITIATIVE

The Companies Act, 2013 permits companies to send documents like Notice of Annual General Meeting, Annual Report and other documents through electronic means to its members at their registered email addresses, besides sending the same in physical form.



As a responsible Corporate Citizen, the Company has actively supported the implementation of ‘Green Initiative’ of Ministry of Corporate Affairs (MCA) and effected electronic delivery of Notices and Annual Reports to those shareholders whose email ids were already registered with the respective Depository Participants (DPs) and who have not opted for receiving such documents in physical form. The intimation of dividends (interim/final) is also being sent electronically to those shareholders whose email ids are registered.

Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address with the Registrar and Share Transfer agent (R&TA) of the Company/Depository participant (DP) of respective member and take part in the Green Initiative of the Company, for receiving electronic communications and support the “THINK GREEN, GO GREEN” initiative.

Further, pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing e-voting facility to all members to enable them to cast their votes electronically in respect of resolutions set forth in the Notice of Annual General Meeting (AGM). The detailed instructions for e-voting are provided in the Notice of AGM.

32. ACKNOWLEDGEMENT

We thank our customers, vendors, dealers, investors, business associates and bankers for their continued support during the year. We place on record our appreciation of the contribution made by employees at all levels.

**For and on behalf of the Board
Loyal Equipments Limited**

Date: June 27, 2018

Place: Dahegam, Gandhinagar.

Sd/-

Sd/-

**Alkesh Rameshchandra Patel
Managing Director
DIN – 02672297**

**Rameshchandra Nathalal Patel
Chairman & Whole Time Director
DIN –01307699**

ANNEXURE TO BOARD'S REPORT

ANNEXURE -I

DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

A. CONSERVATION OF ENERGY

| | | |
|-------|---|--|
| (i) | The steps taken or impact on conservation of energy; | The Company has adopted the system of shutting down the electrical machineries and appliances when not in use to avoid unnecessary waste of energy. New investment in machines is being considered with an idea to have reduction of consumption of energy. The impacts of measures taken are not precisely ascertainable. |
| (ii) | The steps taken by the company for utilizing alternate sources of energy; | NIL |
| (iii) | The capital investment on energy conservation equipment; | NIL |

B. TECHNOLOGY, ABSORPTION, ADOPTION & INNOVATION:

| | | |
|-------|--|--|
| (i) | The efforts made towards technology absorption; | The activities of the Company at present do not involve technology absorption and research and development |
| (ii) | The benefits derived like product improvement, cost reduction, product development or import substitution; | NIL |
| (iii) | in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and | NIL |
| (iv) | The expenditure incurred on Research and Development. | NIL |
| | | |

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

| | |
|---|----------------|
| The Foreign Exchange earned in terms of actual inflows during the year: | Rs. 35150823/- |
| The Foreign Exchange outgo during the year in terms of actual outflows: | Rs. 7247952/- |

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

| | | | |
|--|--|--|--|
| Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year | Number of shareholders who approached listed entity for transfer of shares from suspense account during the year | Number of shareholders to whom shares were transferred from suspense account during the year | Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year |
| 16000 Shares | 16000 Shares | 16000 Shares | NIL |



We hereby declare that the voting rights on shares in the suspense account shall remain frozen till the rightful owner of such shares claims the shares.

**For and on behalf of the Board
Loyal Equipments Limited**

Date: June 27, 2018

Place: Dahegam, Gandhinagar.

Sd/-

Sd/-

**Alkesh Rameshchandra Patel
Managing Director
DIN – 02672297**

**Rameshchandra Nathalal Patel
Chairman & Whole Time Director
DIN –01307699**



**ANNEXURE –II
FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31st March, 2018
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i. CIN: L29190GJ2007PLC050607
- ii. Registration Date: 20th April, 2007
- iii. Name of the Company: Loyal Equipments Limited
- iv. Category / Sub-Category of the Company: Company Limited by Shares / Indian Non-Government Company.
- v. Address of the registered office and contact details: Block No. 35/1-2-3-4, Village Zak, Dahegam, Gandhinagar – 382 330.
- vi. Whether Listed company: Yes
- vii. Name, Address and Contact details of Registrar and Transfer Agent, if any: Sharex Dynamic (India) Private Limited, Unit –I, Luthra Industrial Premises, Safeed Pool, Andheri- Kurla Road, Andheri (East), Mumbai – 400 072

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated: -

| Sr. No. | Name and Description of main Products/ Services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|---|----------------------------------|------------------------------------|
| 1 | To carry on the business as manufacturers, manufacturers' representatives, exporters, importers, fabricators, machinists, installers, repairers, factors, agents, dealers and distributors of all classes, kinds, types, nature and description of plants, machineries, tools, jigs, fixtures, dies, patents, instruments, appliances and parts, components and accessories thereof including but without limiting the generality thereof particularly of engineering goods, engineering machineries/Equipments made of whatever metals and substances. | 2911 | 100% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

| Sr. No. | Name of the Company | Address of the Company | CIN/ GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|-----------------------|---------------------|------------------------|----------|--------------------------------|------------------|--------------------|
| NOT APPLICABLE | | | | | | |



IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):

i. Category-wise Shareholding:

| Category of Shareholders | No. of Shares held at the beginning of the year (As on 01-4-2017) | | | | No. of Shares held at the end of the year (As on 31-03-2018) | | | | % Change during the year |
|---|---|----------|----------------|-------------------|--|----------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A: Promoters | | | | | | | | | |
| (1) Indian: | | | | | | | | | |
| a) Individual/ HUF | 4999990 | - | 4999990 | 73.53 | 7499985 | - | 7499985 | 73.53 | - |
| b) Central Govt. | - | - | - | - | - | - | - | - | - |
| c) State Govt(s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corporate | - | - | - | - | - | - | - | - | - |
| e) Banks / FI | - | - | - | - | - | - | - | - | - |
| f) Any other... | - | - | - | - | - | - | - | - | - |
| Sub - Total (A) (1) | 4999990 | - | 4999990 | 73.53 | 7499985 | - | 7499985 | 73.53 | - |
| (2) Foreign | | | | | | | | | |
| a) NRIs – Individuals | - | - | - | - | - | - | - | - | - |
| b) Other- Individuals | - | - | - | - | - | - | - | - | - |
| c) Bodies Corporate | - | - | - | - | - | - | - | - | - |
| d) Banks / FI | - | - | - | - | - | - | - | - | - |
| (e) Any other... | - | - | - | - | - | - | - | - | - |
| Sub - Total (A) (2) | - | - | - | - | - | - | - | - | - |
| Total shareholding of promoter (A) = (A)(1) + (A)(2) | 4999990 | - | 4999990 | 73.53 | 7499985 | - | 7499985 | 73.53 | - |
| B: Public Shareholding | | | | | | | | | |
| 1 Institutions | | | | | | | | | |
| a) Mutual Funds | - | - | - | - | - | - | - | - | - |
| b) Banks / FI | - | - | - | - | - | - | - | - | - |
| c) Central Govt | - | - | - | - | - | - | - | - | - |
| d) State Govt(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) FIIs | - | - | - | - | - | - | - | - | - |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| (i) Others | - | - | - | - | - | - | - | - | - |
| Sub - Total (B) (1) | - | - | - | - | - | - | - | - | - |
| 2 Non-institutions | | | | | | | | | |
| a) Bodies Corporate | - | - | - | - | - | - | - | - | - |
| i) Indian | 144000 | - | 144000 | 2.118 | 78000 | - | 78000 | 0.765 | -1.353 |
| ii) Overseas | - | - | - | - | - | - | - | - | - |
| b) Individuals | - | - | - | - | - | - | - | - | - |



| | | | | | | | | | |
|---|----------------|----------|----------------|---------------|-----------------|----------|-----------------|---------------|----------|
| I) Individual shareholders holding nominal share capital up to Rs. 1 lakh | 512010 | - | 512010 | 7.530 | 441000 | - | 441000 | 4.324 | -3.206 |
| II) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | 872000 | - | 872000 | 12.824 | 1899015 | - | 1899015 | 18.618 | 5.794 |
| c) Others | | | | | | | | | |
| (c-i) NRIs (Repatriation) | 120000 | - | 120000 | 1.765 | 180000 | - | 180000 | 1.765 | - |
| (c-ii) NRIs (Non-repat.) | - | - | - | - | - | - | - | - | - |
| (c-iii) Foreign Companies | - | - | - | - | - | - | - | - | - |
| Clearing member | 152000 | - | 152000 | 2.235 | 102000 | | 102000 | 1 | -1.235 |
| Trust | - | - | - | - | - | - | - | - | - |
| Foreign Bodies – D R | - | - | - | - | - | - | - | - | - |
| Sub - Total (B) (2) | 1800010 | - | 1800010 | 26.472 | 2700015 | - | 2700015 | 26.472 | - |
| Total public shareholding (B) = (B) (1) + (B)(2) | 1800010 | - | 1800010 | 26.472 | 2700015 | - | 2700015 | 26.472 | |
| C: Shares Held By Custodian For GDRS & ADRS | - | - | - | - | - | - | - | - | - |
| GRAND TOTAL (A+B+C) | 6800000 | - | 6800000 | 100.00 | 10200000 | - | 10200000 | 100.00 | - |

ii. Shareholding of Promoters:

| Sr. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|---------|---------------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|---|--|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares | |
| 1 | Alkesh Rameshchandra Patel | 1399960 | 20.588 | - | 2099940 | 20.588 | - | - |
| 2 | Jyotsanaben Rameshchandra Patel | 2200000 | 32.353 | - | 3300000 | 32.353 | - | - |
| 3 | Rameshchandra Nathalal Patel | 1400000 | 20.588 | - | 2100000 | 20.588 | - | - |
| 4 | Patel Kalpeshbhai H | 10 | 0 | - | 15 | 0 | - | - |
| 5 | Hema Maheshkumar Patel | 10 | 0 | - | 15 | 0 | - | - |
| 6 | Parul Alkeshbhai Patel | 10 | 0 | - | 15 | 0 | - | - |

iii. Change in Promoters' Shareholding (please specify, if there is no change):

| S. No | Name of the Shareholder | Shareholding at the beginning of the year as | Date | Reason | Increase/ Decrease in Shareholding | Cumulative Shareholding during the Year |
|-------|-------------------------|--|------|--------|------------------------------------|---|
|-------|-------------------------|--|------|--------|------------------------------------|---|



| | | on 01.04.2017 | | | | | | | |
|---|---------------------------------|---------------|----------------------------------|------------|---|---------------|----------------------------------|---------------|----------------------------------|
| | | No. of Shares | % of Total Shares of the Company | | | No. of Shares | % of Total Shares of the Company | No. of Shares | % of Total Shares of the Company |
| 1 | Alkesh Rameshchandra Patel | 1399960 | 20.588 | 30.09.2017 | Bon us Issu e of Shar es | 699980 | 20.588 | 2099940 | 20.588 |
| 2 | Jyotsanaben Rameshchandra Patel | 2200000 | 32.353 | 30.09.2017 | | 1100000 | 32.353 | 3300000 | 32.353 |
| 3 | Rameshchandra Nathalal Patel | 1400000 | 20.588 | 30.09.2017 | | 700000 | 20.588 | 2100000 | 20.588 |
| 4 | Patel Kalpeshbhai H | 10 | 0 | 30.09.2017 | | 5 | 0 | 15 | 0 |
| 5 | Hema Maheshkumar Patel | 10 | 0 | 30.09.2017 | | 5 | 0 | 15 | 0 |
| 6 | Parul Alkeshbhai Patel | 10 | 0 | 30.09.2017 | | 5 | 0 | 15 | 0 |

iv. Shareholding Pattern of top ten Shareholders (other than Directors, promoters and Holders of GDRs and ADRs):-

| Sr. No. | Name | Shareholding at the beginning of the year (01/04/2017) | | Date | Increase/Decreases shareholding | Reason | Cumulative Shareholding during the year (01-04-17 to 31-03-18) | |
|---------|--------------------------|--|----------------------------------|------------|---------------------------------|--------|--|-------------------|
| | | No. of shares | % of total shares of the company | | | | No. of shares | % of total shares |
| 1 | Ghanshyam Kalwani | 120000 | 1.765 | 14.04.2017 | 8000 | Buy | 128000 | 1.882 |
| | | | | 12.05.2017 | 4000 | Buy | 132000 | 1.941 |
| | | | | 30.09.2017 | 66000 | Buy | 198000 | 1.941 |
| | | | | 08.12.2017 | -18000 | Sold | 180000 | 1.765 |
| | | | | 31.03.2018 | | | 180000 | 1.765 |
| 2 | Nareshkumar Saraf | 132000 | 1.294 | 12.01.2018 | 42000 | Buy | 174000 | 1.706 |
| | | | | 31.03.2018 | | | 174000 | 1.706 |
| 3 | Sunita Sarwankumar Saraf | 8000 | 0.118 | 02.06.2017 | 4000 | Buy | 12000 | 0.176 |
| | | | | 28.07.2017 | 8000 | Buy | 20000 | 0.294 |
| | | | | 08.09.2017 | 8000 | Buy | 28000 | 0.412 |
| | | | | 22.09.2017 | 72000 | Buy | 100000 | 1.471 |
| | | | | 30.09.2017 | 50000 | Buy | 150000 | 1.471 |
| | | | | 08.12.2017 | 18000 | Buy | 168000 | 1.647 |
| | | | | 31.03.2018 | | | 168000 | 1.647 |



| | | | | | | | | |
|----|---------------------------------|-------|-------|------------|--------|------|--------|-------|
| 4 | Pravinben Menpara S | 16000 | 0.235 | 21.04.2017 | 16000 | Buy | 32000 | 0.471 |
| | | | | 28.04.2017 | 24000 | Buy | 56000 | 0.824 |
| | | | | 01.09.2017 | 8000 | Buy | 64000 | 0.941 |
| | | | | 30.09.2017 | 32000 | Buy | 96000 | 0.941 |
| | | | | 27.10.2017 | 12000 | Buy | 108000 | 1.059 |
| | | | | 31.03.2018 | | | 108000 | 1.059 |
| 5 | Savjibhai Menpara M | 40000 | 0.588 | 28.07.2017 | 16000 | Buy | 56000 | 0.824 |
| | | | | 04.08.2017 | 8000 | Buy | 64000 | 0.941 |
| | | | | 22.09.2017 | 4000 | Buy | 68000 | 1 |
| | | | | 30.09.2017 | 34000 | Buy | 102000 | 1 |
| | | | | 31.03.2018 | | | 102000 | 1 |
| 6 | Kamini Bhavesh Shah | 80000 | 1.176 | 30.09.2017 | 40000 | Buy | 120000 | 1.176 |
| | | | | 29.12.2017 | -36000 | Sold | 840000 | 0.824 |
| | | | | 31.03.2018 | | | 840000 | 0.824 |
| 7 | Sunaina Nareshkumar Saraf | 48000 | 0.471 | 23.03.2018 | 21000 | Buy | 69000 | 0.676 |
| | | | | 31.03.2018 | | | 69000 | 0.676 |
| 8 | Inderaben Shah B | 32000 | 0.471 | 26.05.2017 | 8000 | Buy | 40000 | 0.588 |
| | | | | 09.06.2017 | 4000 | Buy | 44000 | 0.647 |
| | | | | 30.09.2017 | 22000 | Buy | 66000 | 0.647 |
| | | | | 31.03.2018 | | | 66000 | 0.647 |
| 9 | Amit Bhogilal Shah | 32000 | 0.471 | 30.09.2017 | 16000 | Buy | 48000 | 0.471 |
| | | | | 31.03.2018 | | | 48000 | 0.471 |
| 10 | V V Ramakrishnan S | 24000 | 0.353 | 30.09.2017 | 12000 | Buy | 36000 | 0.353 |
| | | | | 08.12.2017 | 3000 | Buy | 39000 | 0.382 |
| | | | | 15.12.2017 | 3000 | Buy | 42000 | 0.412 |
| | | | | 05.01.2018 | 3000 | Buy | 45000 | 0.441 |
| | | | | 31.03.2018 | | | 45000 | 0.441 |
| 11 | Menpara Savjibhai Manjibhai HUF | 32000 | 0.471 | 30.09.2017 | 16000 | Buy | 48000 | 0.471 |
| | | | | 09.02.2018 | -15000 | Sold | 33000 | 0.324 |
| | | | | 02.03.2018 | -15000 | Sold | 18000 | 0.176 |
| | | | | 31.03.2018 | | | 18000 | 0.176 |
| 12 | Sharekhan Limited | | | 07.04.2017 | -8000 | Sold | 32000 | 0.471 |
| | | | | 14.04.2017 | 8000 | Buy | 40000 | 0.588 |
| | | | | 21.04.2017 | -16000 | Sold | 24000 | 0.353 |
| | | | | 28.07.2017 | 40000 | Buy | 64000 | 0.941 |
| | | | | 04.08.2017 | -24000 | Sold | 40000 | 0.588 |
| | | | | 18.08.2017 | -16000 | Sold | 24000 | 0.353 |
| | | | | 01.09.2017 | 4000 | Buy | 28000 | 0.412 |
| | | | | 08.09.2017 | -12000 | Sold | 16000 | 0.235 |
| | | | | 15.09.2017 | 8000 | Buy | 24000 | 0.353 |
| | | | | 22.09.2017 | -8000 | Sold | 16000 | 0.235 |



| | | | | | | | | |
|-----|---------------------------------|--------|-------|------------|--------|------|-------|-------|
| | | | | 30.09.2017 | 8000 | Buy | 24000 | 0.235 |
| | | | | 13.10.2017 | -6000 | Sold | 18000 | 0.176 |
| | | | | 20.10.2017 | -6000 | Sold | 12000 | 0.118 |
| | | | | 10.11.2017 | -6000 | Sold | 6000 | 0.059 |
| | | | | 08.12.2017 | 6000 | Buy | 12000 | 0.118 |
| | | | | 15.12.2017 | 6000 | Buy | 18000 | 0.176 |
| | | | | 05.01.2018 | -6000 | Sold | 12000 | 0.118 |
| | | | | 12.01.2018 | -6000 | Sold | 6000 | 0.059 |
| | | | | 02.03.2018 | -3000 | Sold | 3000 | 0.029 |
| | | | | 31.03.2018 | | | 3000 | 0.029 |
| 13. | Choice Equity Broking Pvt. Ltd. | 104000 | 1.529 | 22.09.2017 | -72000 | Sold | 32000 | 0.471 |
| | | | | 30.09.2017 | 16000 | Buy | 48000 | 0.471 |
| | | | | 08.12.2017 | -48000 | Sold | 0 | 0 |
| 14. | Mitesh Trambaklal Sheth | 56000 | 0.824 | 30.09.2017 | 28000 | Buy | 84000 | 0.824 |
| | | | | 10.11.2017 | -63000 | Sold | 21000 | 0.206 |
| | | | | 17.11.2017 | -9000 | Sold | 12000 | 0.118 |
| | | | | 24.11.2017 | -12000 | Sold | 0 | 0 |
| 15. | Nikhil R Jain | 40000 | 0.588 | 28.07.2017 | -40000 | Sold | 0 | 0 |
| 16. | Alkesh Chimanlal Patel HUF | 32000 | 0.471 | 12.05.2017 | -4000 | Sold | 28000 | 0.412 |
| | | | | 23.06.2017 | -8000 | Sold | 20000 | 0.294 |
| | | | | 30.06.2017 | -4000 | Sold | 16000 | 0.235 |
| | | | | 11.08.2017 | -16000 | Sold | 0 | 0 |
| 17. | Dharmistha D. Patel | 32000 | 0.471 | 18.08.2017 | -8000 | Sold | 24000 | 0.353 |
| | | | | 15.09.2017 | -8000 | Sold | 16000 | 0.235 |
| | | | | 22.09.2017 | -8000 | Sold | 8000 | 0.118 |
| | | | | 30.09.2017 | -2000 | Sold | 6000 | 0.059 |
| | | | | 17.11.2017 | -6000 | Sold | 0 | 0 |

v. Shareholding of Directors and Key Managerial Personnel: -

| Sr. No. | Name | Shareholding at the beginning of the year (01/04/2017) | | Date | Increase/ Decrease in shareholding | Reason | Cumulative Shareholding during the year (01-04-2017 to 31-03-2018) | |
|---------|---------------------------------|--|----------------------------------|------------|------------------------------------|-----------------------|--|-------------------|
| | | No. of shares | % of total shares of the company | | | | No. of shares | % of total shares |
| 1 | Alkesh Rameshchandra Patel | 1399960 | 20.588 | 30.09.2017 | 699980 | Bonus Issue of Shares | 2099940 | 20.588 |
| 2 | Jyotsanaben Rameshchandra Patel | 2200000 | 32.353 | 30.09.2017 | 1100000 | | 3300000 | 32.353 |

| | | | | | | | | |
|---|------------------------------|---------|--------|------------|--------|--|---------|--------|
| 3 | Rameshchandra Nathalal Patel | 1400000 | 20.588 | 30.09.2017 | 700000 | | 2100000 | 20.588 |
| 4 | Amit Chandulal Patel | 10 | - | 30.09.2017 | 5 | | 15 | 0.00 |

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|----------------------|
| Indebtedness at the beginning of the financial year (01.04.2017): | | | | |
| i) Principal Amount | 40423310.00 | - | - | 40423310.00 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | 99008.00 | - | - | 99008.00 |
| Total (i+ii+iii) | 40522318.00 | - | - | 40522318.00 |
| Change in Indebtedness during the financial year: | | | | |
| * Addition | 306406027.00 | - | - | 306406027.00 |
| * Reduction | 323310834.00 | - | - | 323310834.00 |
| Net Change | (16904807.00) | - | - | (16904807.00) |
| Indebtedness at the end of the financial year (31.03.2018): | | | | |
| i) Principal Amount | 23518503.00 | - | - | 23518503.00 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | 65951.00 | - | - | 65951.00 |
| Total (i+ii+iii) | 23584454.00 | - | - | 23584454.00 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:

| S. No. | Particulars of Remuneration | Name of MD/WTD/Manager | | | Total Amount |
|--------|---|------------------------------|--------------------------------|----------------------------|------------------|
| | | Rameshchandra Nathalal Patel | Jyotsnaben Rameshchandra Patel | Alkesh Rameshchandra Patel | |
| 1 | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 30,00,000 | - | 42,00,000 | 72,00,000 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | - | - | - | - |
| 2 | Stock Option | - | - | - | - |
| 3 | Sweat Equity | - | - | - | - |
| 4 | Commission - as % of profit | - | - | - | - |
| 5 | Others, please specify | - | - | - | - |
| | Total (A) | 30,00,000 | - | 42,00,000 | 72,00,000 |

B. Remuneration to other directors:

| SI. No. | Particulars of Remuneration | Name of Director | | | Total Amount |
|---------|---|------------------|------------------------|----------------------------|--------------|
| | | Babubhai Patel | Girish Nathubhai Desai | Kalpesh Lalitchandra Joshi | |
| 1 | Independent Directors: | | | | |
| | Fee for attending board /committee meetings | - | - | - | - |
| | Commission | - | - | - | - |
| | Others | - | - | - | - |
| | TOTAL (1) | - | - | - | - |
| 2 | Other Non-Executive Directors: | | | | |
| | Fee for attending board /committee meetings | - | - | - | - |
| | Commission | - | - | - | - |
| | Others | - | - | - | - |
| | TOTAL (2) | - | - | - | - |
| | TOTAL B = (1+2) | - | - | - | - |
| | TOTAL MANAGERIAL REMUNERATION | - | - | - | - |
| | Overall Ceiling as per the Act | - | - | - | - |

C. Remuneration to Key Managerial Personnel other than MD/Manager/Whole Time Director

| SI. No. | Particulars of Remuneration | Key Managerial Personnel | | Total Amount |
|---------|---|--------------------------|-----------------------------------|-----------------|
| | | Amit Patel (CFO) | Komal Motiani (Company Secretary) | |
| 1 | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 6,06,500 | 1,20,000 | 7,26,500 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | - | - | - |
| 2 | Stock Option | - | - | - |
| 3 | Sweat Equity | - | - | - |
| 4 | Commission - as % of profit - others, specify | - | - | - |
| 5 | Others, please specify | - | - | - |
| | Total | 6,06,500 | 1,20,000 | 7,26,500 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NA

| Type | Section of the Companies Act | Brief Description | Details of Penalty/ Punishment/ compounding fees imposed | Authority (RD/NCLT/ COURT) | Appeal made, if any (give details) |
|-------------|------------------------------|-------------------|--|----------------------------|------------------------------------|
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |



| OTHER OFFICERS IN DEFAULT | | | | | |
|----------------------------------|---|---|---|---|---|
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |

**For and on behalf of the Board
Loyal Equipments Limited**

Date: June 27, 2018

Place: Dahegam, Gandhinagar

Sd/-

Sd/-

**Alkesh Rameshchandra Patel
Managing Director
DIN – 02672297**

**Rameshchandra Nathalal Patel
Chairman & Whole Time Director
DIN –01307699**



| OTHER OFFICERS IN DEFAULT | | | | | |
|----------------------------------|---|---|---|---|---|
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |

**For and on behalf of the Board
Loyal Equipments Limited**

Date: June 27, 2018

Place: Dahegam, Gandhinagar

Sd/-

Sd/-

**Alkesh Rameshchandra Patel
Managing Director
DIN – 02672297**

**Rameshchandra Nathalal Patel
Chairman & Whole Time Director
DIN –01307699**

ANNEXURE - IV**FORM NO. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018****[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of****The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,

The Members
LOYAL EQUIPMENTS LIMITED
Block No. 35/1-2-3-4, Village Zak
Dahegam, Gandhinagar – 382 330

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Loyal Equipments Limited (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company as per Annexure A for the Financial Year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - iv. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; [The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the period)
 - v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;**(Not applicable to the Company during the period)**
 - vi. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client
 - vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;**(Not applicable to the Company during the period)** and

- viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;**(Not applicable to the Company during the period)**
- (vi) We further report that having regard to the compliance system prevailing in the company and on examination of relevant documents and records in pursuance thereof, on test check basis, the company has generally complied with other laws identified by the management as applicable specifically to the company broadly covering Laws relating to engineering Industries.

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with the BSE Ltd. read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, mentioned hereinabove and are adequate systems and processes in the Company that commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. I have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under the laws and regulations applicable to the Company as referred hereinabove and verification of documents and records on test check basis.

I further report that the compliance by the company of the direct and indirect tax laws has not been reviewed during this audit as the same had been subject to review by the statutory financial audit and other designated professionals.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Decisions at the Board Meetings were taken unanimously.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Jaipur

Date: 27/06/2018

Name of Company Secretary: Vivek Sharma
Company Secretary
ACS No. 38510
CP. No. 14773

This report is to be read with our letter of even date which is annexed as Annexure B and forms an integral part of this report.

ANNEXURE - A

List of documents verified

1. Memorandum & Articles of Association of the Company.
2. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee held during the period under report.
3. Minutes of General Body Meetings held during the period under report.
4. Statutory Registers/Records under the Companies Act and rules made there under viz.
 - Register of Directors & KMP
 - Register of Directors' Shareholding
 - Register of loans, guarantees and security and acquisition made by the Company
 - Register of Members
 - Periodical BENPOS, Registers of Demat/Remat and records made available from RTA
5. Agenda papers relating to the Board Meetings and Committee Meetings.
6. Declarations received from the Directors of the Company pursuant to the provisions of Section 299 of the Companies Act, 1956 and 184 of the Companies Act, 2013.
7. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 1956 and Companies Act, 2013 and attachments thereof during the period under report.
8. Intimations/ documents/ reports/ returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement during the period under report.
9. Communications/ Letters issued to and acknowledgements received from the Independent directors for their appointment
10. Various policies framed by the company from time to time as required under the Companies Act as well as listing agreement/SEBI Regulations.



ANNEXURE - B

To,

The Members
LOYAL EQUIPMENTS LIMITED
Block No. 35/1-2-3-4, Village Zak
Dahegam, Gandhinagar – 382 330

Sir,

Sub: Secretarial Audit Report for the Financial Year ended on 31st March, 2018.

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Jaipur

Date: 27/06/2018

Name of Company Secretary: Vivek Sharma
Company Secretary
ACS No. 38510
CP. No. 14773

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management of the Company is pleased to present its report on the Industry Scenario including on the Company's performance during the financial year 2017-18.

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

Global Economic Outlook

World growth strengthened in 2017 to 3.8 percent, with a notable rebound in global trade. It was driven by an investment recovery in advanced economies, continued strong growth in emerging Asia, a notable upswing in emerging Europe, and signs of recovery in several commodity exporters. Global growth is expected to tick up to 3.9 percent this year and next, supported by strong momentum, favorable market sentiment, accommodative financial conditions, and the domestic and international repercussions of expansionary fiscal policy in the United States. The partial recovery in commodity prices should allow conditions in commodity exporters to gradually improve

Over the medium term, global growth is projected to decline to about 3.7 percent. Once the cyclical upswing and US fiscal stimulus have run their course, prospects for advanced economies remain subdued, given their slow potential growth. In emerging market and developing economies, in contrast, growth will remain close to its 2018–19 level as the gradual recovery in commodity exporters and a projected increase in India's growth provide some offset to China's gradual slowdown and emerging Europe's return to its lower-trend growth rate. Nevertheless, 40 emerging market and developing economies are projected to grow more slowly in per capita terms than advanced economies, failing to narrow income gaps vis-à-vis the group of more prosperous countries.

Despite strong aggregate figures in the baseline forecast and buoyant market sentiment, the current momentum is not assured. Upside and downside risks are broadly balanced over the next several quarters, but risks farther down the road are skewed to the downside. With still-easy financial conditions and persistently low inflation that has required protracted monetary policy accommodation, a potential further buildup of financial vulnerabilities could give way to rapid tightening of global financial conditions, denting confidence and growth. The support to growth that comes from procyclical policies, including in the United States, will eventually need to be reversed. Other risks include a shift toward inward-looking policies that harm international trade and a worsening of geopolitical tensions and strife.

The current favorable juncture offers a window to enact policies and reforms that protect the upswing and raise medium-term growth to the benefit of all—strengthening the potential for higher and more inclusive growth, building buffers that will help deal more effectively with the next downturn, improving financial resilience to contain financial market risks, and fostering international cooperation.

RECENT DEVELOPMENTS AND PROSPECTS

An Investment-Led Pickup in Growth

At 3.8 percent, global growth last year was ½ percentage point faster than in 2016 and the strongest since 2011. Two-thirds of countries accounting for about three-fourths of global output experienced faster growth in 2017 than in the previous year (the highest share of countries experiencing a year-over-year growth pickup since 2010). The preliminary outcome for global growth in 2017 was 0.2 percentage point stronger than forecast in the October 2017 World Economic Outlook (WEO), with upside surprises in the second half of 2017 in advanced as well as emerging market and developing economies.

A Cyclical Rebound in Global Trade

Global trade—which tends to be highly correlated with global investment (see Figure 1.3 and Chapter 2 of the October 2016 WEO)—recovered strongly in 2017 after two years of weakness, to an estimated real growth rate

of 4.9 percent. The upsurge was more pronounced in emerging market and developing economies (with trade growth rising from 2.2 percent in 2016 to 6.4 percent in 2017), reflecting improved investment growth rates in formerly stressed commodity exporters as well as the recovery in advanced economy investment and domestic demand more generally.

INDIAN ECONOMY GROWTH RATE & STATISTICS

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 6.6 per cent in 2017-18 and is expected to grow 7.3 per cent in 2018-19.

Market size

India's gross domestic product (GDP) at constant prices grew by 7.2 per cent in September-December 2017 quarter as per the Central Statistics Organisation (CSO). Corporate earnings in India are expected to grow by 15-20 per cent in FY 2018-19 supported by recovery in capital expenditure, according to JM Financial.

The tax collection figures between April 2017- February 2018 show an increase in net direct taxes by 19.5 per cent year-on-year and an increase in net direct taxes by 22.2 per cent year-on-year.

India has retained its position as the third largest startup base in the world with over 4,750 technology startups, with about 1,400 new start-ups being founded in 2016, according to a report by NASSCOM.

India's labour force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labour force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute.

India's foreign exchange reserves were US\$ 422.53 billion in the week up to March 23, 2018, according to data from the RBI.

Capital Goods & Engineering equipment Industry

The capital goods and engineering turnover in India is estimated to have reached US\$ 125.4 billion by FY17. India exports its engineering goods mostly to the US and Europe, which accounts for over 60 per cent of the total exports. Engineering exports for the period of FY18* were US\$ 68.28 billion as against US\$ 57.53 million in the same period previous year. Exports of electrical machinery grew at a CAGR of 2.39 per cent during FY10-17 to reach US\$ 4.6 billion in FY17. The figure stood at US\$ 5.93 billion for FY18*.

According to the India Electronics & Semiconductor Association, the Indian Electronic System Design and Manufacturing (ESDM) market is expected to grow at a CAGR of 16-23 per cent to reach US\$ 228 billion by 2020 from \$100 billion in 2016-17. The electrical equipment industry observed a growth of 9.7 per cent during April-September 2017. Also, Growth of India's mining and construction equipment sector is expected at 13-17 per cent in 2017 driven by increase in infrastructure spending.

According to a study by The Associated Chambers of Commerce of India (ASSOCHAM) and NEC Technologies, the demand for electronic products in India is expected to grow at a Compound Annual Growth Rate (CAGR) of 41 per cent during 2017-20 to US\$ 400 billion by 2020. India's engineering exports recorded a growth of 22.75 per cent to reach US \$ 56,091.89 million in April-December 2017. Exports during December 2017 grew 25.41 per cent year-on-year to US\$ 7,133.93 million from US\$ 5,688.32 million in the same period a year ago.

Note: *up to February 2018

SUMMARY OF OUR BUSINESS

Loyal Equipments limited is ISO certified, ASME “U” & “U2” Stamp holder, one of the known reputed company in India for design, manufacturing, supply and erection/commissioning of process equipments like Pressure vessels, Air cooled heat exchanger, Shell & tube heat exchanger, Storage tanks, Pressure receivers, Chimney, Heavy structural items, Skids, Base plates and other items for Oil/Gas, petroleum, chemical, sugar, steel, fertilizers and power plant sector.

Loyal Equipment is an ISO 9001-2008 certified company and follow Quality Management Systems for the entire business process right from the beginning to manufacturing/fabrication and installation at the site. Loyal Equipment is having continuously long experience with EIL, GSPC, GAIL, ONGC, Ingersoll Rand, Linde, Dresser Rand, L&T, Reliance, ALSTOM, Kirloskar, Texas Southpiller-USA and others govt. & private organization.

SALIENT FEATURES OF OUR PRODUCTS:

- Produced from the toughest materials like steel, nonferrous materials.
- Compliance to customer Requirements
- Adherence to the Quality standards as required by monitoring agencies
- Timely Delivery
- Customization
- Consignment packaging as per specification of customer.

Our production facility is currently located in the state of Gujarat, India. Our manufactured products have presences across major states of India as well as outside India Our Major customers such as:-

- Engineers India Limited
- Dresser-Rand India Pvt. Ltd.
- Ingersoll Rand India Limited
- Kirloskar Pneumatic Co. Limited
- Larsen & Turbo Limited
- Reliance Industries Limited
- Alstom Projects India Limited
- Linde Engineering (India) Limited
- Bharat Pumps & Compressors Limited
- Texas Southpiller Limited-USA
- Voirth
- Dresser Rand, USA
- Oil & Natural Gas Corporation.
- Gujarat State Petroleum Corporation Limited.
- Hindustan Petroleum Company Limited.
- Bharat Petroleum Company Limited.
- Indian Oil Corporation Limited.
- Essar Oil
- Linde
- Nirma Limited.
- GE

OUR COMPETITIVE STRENGTHS

We believe that the following are our primary competitive strength:

Customized Product Offering

Our Company offers customization facilities to the customers, so that they can avail the products as per their specifications. The companies which require the products as per their specification approach us. We design the products as per the specifications and requirements of the clients. This provides a complete satisfaction to our clients and enables us to expand our business from existing customers, as well as address a larger base of potential new customers.

Quality Assurance and Standards

We believe in providing our customers the best possible quality products. We have developed quality policies of the Company to provide our client the best possible quality product. We adopt quality check to ensure the adherence to desired specifications, quality and standards. Since, our Company is dedicated towards quality products, processes and inputs; we get repetitive orders from our clients, as we are capable of meeting their quality standards.

Existing Customer Relationship

We believe that we constantly try to address customer needs around a variety of products. Our existing customer relationships help us to get repeat business from our customers. This has helped us maintain a long term working relationship with our customers and improve our customer retention strategy. We believe that our existing relationship with our customers represents a competitive advantage in gaining new customers and increasing our business.

Existing Relationship with Suppliers

We have acquired raw materials from several suppliers and have contacts with them for a long time. We believe that our strong relationships with suppliers will enable us to continue to grow our business. Due to our relationships with our suppliers, we get quality and timely supplies of raw materials. This enables us to manage our inventories and supply quality products on timely basis to our customers. This in turn has enabled us to generate repeat business.

OUR BUSINESS STRATEGY

Meeting Customer Requirements

Our Company intends is to provide the customer with 100% satisfaction. We clearly understand the requirement and specification of the products required by the clients. Based on these requirements and specification products are designed and developed, customization is done wherever required. The products are manufactured using good quality material procured from reliable sources so that the customers receive the products with the best possible quality standards within the stipulated time frame.

Adopting Automation in Production Process

We possess sound manufacturing facility which is assisted by our production team. The manufacturing unit is outfitted with the requisite machines, tools and equipments. The production process are designed and carried out as per the industry standards.

To build-up a Professional Organization

As an organization, we believe in transparency and commitment in our work and with our suppliers, customers, government authorities, banks, financial institutions etc. We have an experienced and technically sound team for taking care of our day to day operations. We also consult with external agencies on a case to case basis on technical and financial aspects of our business.

Optimal Utilization of Resources

Our Company constantly endeavors to improve our production process, skill up-gradation of workers, modernization of machineries to optimize the utilization of resources. We regularly analyze our existing raw

material procurement policy and manufacturing processes to identify the areas of bottlenecks and correct the same. This helps us in improving efficiency and putting resources to optimal use.

2. OPPORTUNITIES

Our Products are widely used in the industries like Petro-chemicals, Compressor Industries, Power Plants, Fertilizers, Refinery, Pharmaceuticals and Dairy Industry. We manufacture and design the products as per the needs of the customer, so that they can avail the products as per their specifications and customizations. We have enlisted with governments undertaking and other parties such as Engineers India Limited, and Gujarat State Petronet Ltd., as registered supplier for supply of Pressure Vessels and Heat Exchangers. Also our Company is a member of Heat Transfer Research Inc, the world's premier source of technology information, services and software in field of process heat transfer.

Further, Our Company is authorized under The American Society of Mechanical Engineers (ASME) for “U” and “U2” Stamp on Manufacture of pressure vessels and also authorized by The National Board of Boiler & Pressure Vessel Inspectors for “NB” Mark in Pressure Vessels and other pressure retaining items.

3. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

Loyal equipments limited is ISO certified, ASME “U” & “U2” Stamp holder, one of the known reputed company in India for design, manufacturing, supply and erection/commissioning of process equipments like Pressure vessels, Air cooled heat exchanger, Shell & tube heat exchanger, Storage tanks, Pressure receivers, Chimney, Heavy structural items, Skids, Base plates and other items for Oil/Gas, petroleum, chemical, sugar, steel, fertilizers and power plant sector. During the financial year 2017-18, our company has been received order for amounting Rs. 44.20 Crores orders and completed orders for amounting Rs. 21.30 Crores.

Loyal Equipment is having kind of latest machineries, tools, skilled man power, handling equipment and various in house facilities for smooth operation and quality product. We have developed a sound infrastructure base that is subject to regular upgradation based on technology and working systems. Our company having 28500 sq. meters of land, In which infrastructure is setup over 3526 sq. meters with well-furnished office spread over an area of 136 sq. meters.

4. OUTLOOK

The engineering sector is a growing market. Spending on engineering services is projected to increase to US\$ 1.1 trillion by 2020. The government, in consultation with semiconductor industry, has increased focus on the ESDM sector in last few years. Some of the initiatives outlined in the National Electronics policy and the National Telecom policy are already in the process of implementation, such as Preferential Market Access (PMS), Electronics Manufacturing Clusters (EMC) and Modified Special Incentive Package Scheme (M-SIPS).

India's capital good sector is expected to triple in size to Rs 7.5 trillion (US\$ 116 billion) and add 21 million jobs by 2025.

5. THREATS, RISK AND CONCERNS

The Company is concerned about prevailing exposure norms, financial position, entry of new players in the market, rising competition from banks & multilateral agencies, uncertain business environment, fluctuation in rupee, likely increase in cost of capital due to volatile market conditions. Further, the state of business and policy environment in the country also has a cascading effect on the interest-rate regime, cost and availability of raw materials and gestation period & capital outlays required for raw material. General economic conditions may also affect the capacity and production of the manufacturing of the products.



6. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company maintains an adequate system of Internal Controls including suitable monitoring procedures to ensure accurate and timely financial reporting of various transactions, efficiency of operations and compliance with statutory laws, regulations and Company policies. Suitable delegation of powers and guidelines for accounting have been issued for uniform compliance. In order to ensure that adequate checks and balances are in place and internal control systems are in order, regular and exhaustive Internal Audit of Office/plant are conducted by the in-house Internal Audit Division and external professional audit firm. The Internal Audit covers all major areas of operations, including identified critical/risk areas, as per the Annual Internal Audit Programme. The Audit Committee of Directors periodically reviews the significant findings of different Audits, as prescribed in the Companies Act, 2013 and in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

7. FINANCIAL AND OPERATIONAL PERFORMANCE

Revenue from the operations of your Company for the year 2017-18 was Rs. 21,33,35,110/-, 10.51% higher than Rs. 19,30,41,463/- in the previous year. Profit before Depreciation Interest & Tax for the current year was Rs. 4,24,14,660/- against Rs. 4,53,59,150/- in the previous year. Profit after Tax for the current year at Rs. 1,99,09,010 was decreased by 8.81% over Rs. 2,18,34,830/- in the previous year.

Further the company has received various order from India and Outside India for supply of Pressure Vessels and other Equipments. The years 2017-18 is one of great year of your Company with crossing the new target in terms of turnover and in term of order receive from various client which will boost our turnover and profit in coming years.

8. HUMAN RESOURCES / INDUSTRIAL RELATIONS

The Company gives utmost importance to the capacity-building and well-being of its employees. The Industrial Relations in the Company continued to be on a cordial note. There are regular interactions between the management and the representative-associations on issues pertaining to employee welfare. The Company has an atmosphere of trust and cooperation, which results in a motivated work force and consistent growth in the performance.

Cautionary Note

Certain statements in “Management Discussion and Analysis” section may be forward looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Management envisages in terms of future performance and outlook.

REPORT ON CORPORATE GOVERNANCE

Corporate Governance is a systematic continuous process by which companies are directed and controlled to enhance their wealth generating capacity and long term success. It is a key element to carry on business operations based on the underlying principles of integrity, ethics, transparency and accountability. Over the last few decades, corporate governance is getting ever increasing importance across the globe. Systems and policies are required to be upgraded regularly, to meet the challenges of rapid growth in a dynamic business environment.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance revolves around principles of ethical governance and is aimed at conducting of business in an efficient and transparent manner and in meeting its obligations to stakeholders. Your Company beholds Corporate Governance measures as an integral part of business strategy which adds to considerable internal and external values and contributes to the business growth in ethical perspective. Your Company believes that any meaningful policy on Corporate Governance must empower the executive management of the Company. At the same time, Governance must create a mechanism of checks and balances to ensure that the decision-making powers vested in the executive management are used with care and responsibility to meet stakeholders' aspirations and societal expectations.

Our Corporate governance framework has helped us be aligned with the new guidelines of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). We believe that an active, well-informed and independent board is necessary to ensure the highest standards of Corporate Governance. Our Corporate Governance framework ensures that we make timely disclosures and share accurate information regarding our financial performance and governance of the Company. Your Company has complied with the requirements of Corporate Governance as laid down under regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

2. BOARD OF DIRECTORS

The Board of Directors provides leadership and guidance, objective judgment and at the same time monitors the strategic direction of the Company. The Company is headed by an Executive Chairman.

(A) Composition of the Board

The composition of the Board of the Company as on March 31, 2018 as mentioned below, was in compliance of Listing Regulations, Companies Act, 2013 read with Rules made thereunder:

| S. No. | Name of Director | Director Identification Number (DIN) | Position |
|--|---------------------------------|--------------------------------------|--------------------------------|
| Whole Time Directors (Executive Directors) | | | |
| 1. | Rameshchandra Nathalal Patel | 01307699 | Chairman & Whole Time Director |
| 2. | Alkesh Rameshchandra Patel | 02672297 | Managing Director |
| 3. | Jyotsanaben Rameshchandra Patel | 01307770 | Whole Time Director |
| Non-Executive Directors | | | |
| 1. | Girish Nathubhai Desai | 02824731 | Independent Director |
| 2. | Kalpesh Lalitchandra Joshi | 07210197 | Independent Director |
| 3. | Babubhai Patel | 00116495 | Independent Director |

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

(B) Other provisions as to Board and its Committees

(i) Details of Board Meetings held during the financial year 2017-18

The Company follows a methodized process of decision-making by the Board and its Committees. The meeting dates are usually finalized in consultation with all Directors, in order to ensure presence of all Board Members in its Meetings. All the Agenda and Explanatory Notes are normally sent to the Directors well in advance for the Meetings of the Board and Committees thereof. To address specific urgent business needs, sometimes meetings are also called at shorter notice, in compliance of the applicable statutory provisions and utmost efforts are made to adhere to the minimum notice period.

During the financial year 2017-18, Ten (10) Meetings of Board of Directors of the Company were held on (i) May 30, 2017, (ii) August 01, 2017, (iii) August 10, 2017, (iv) September 29, 2017, (v) November 10, 2017, (vi) November 27, 2017 (vii) December 20, 2017, (viii) February 23, 2018, (ix) March 28, 2018 and (x) March 29, 2018.

The gap between any two Board Meetings did not exceed one hundred and twenty days. The necessary quorum was present for all the meetings.

(ii) Information placed before the Board of Directors

The Board has complete access to all the information available within the Company. During the year 2017-18, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration. The information regularly provided to the Board inter-alia includes:

- (a) Annual operating plans and budgets and any updates.
- (b) Half Yearly and Annual Financial Results and Board's Report, etc.
- (c) All Related Party transactions.
- (d) Minutes of Meetings of Audit Committee and other committees of the Board.
- (e) The information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and Company Secretary.
- (f) Show cause, demand, prosecution notices and penalty notices, if any, which are materially important.
- (g) Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems, if any.
- (h) Any material default in financial obligations to and by the listed entity, or substantial non-payment for goods sold by the listed entity.
- (i) Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the listed entity or taken an adverse view regarding another enterprise that may have negative implications on the listed entity.
- (j) Details of any joint venture or collaboration agreement.
- (k) Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- (l) Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- (m) Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.
- (n) Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- (o) Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
- (p) Quarterly Report on Reconciliation of Share Capital Audit and status of Investor Grievances.
- (q) Any other information required to be presented to the Board for information or approval.



(iii) Details of Directors’ attendance at Board Meetings and AGM held during the financial year 2017-18, number of other Directorships/Committee Memberships:

The names and their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other public companies as on March 31, 2018 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act. Chairmanships / Memberships of Board Committees shall only include Audit Committee and Stakeholders’ Relationship Committee.

| S. No | Name of the Director | Board Meetings | | | Whether attended last AGM held on August 29, 2017 | As on March 31, 2018 | | |
|-------|--------------------------------------|----------------------|----------|-----------------|---|----------------------------|------------------------------------|-----------|
| | | Held during the year | Attended | % of Attendance | | No. of other Directorships | No. of other Committee Memberships | |
| | | | | | | | As Chairman | As Member |
| 1. | Mr. Alkesh Rameshchandra Patel | 10 | 10 | 100 | Yes | Nil | Nil | Nil |
| 2. | Mrs. Jyotsanaben Rameshchandra Patel | 10 | 10 | 100 | Yes | Nil | Nil | Nil |
| 3. | Mr. Rameshchandra Nathalal Patel | 10 | 10 | 100 | Yes | Nil | Nil | Nil |
| 4. | Mr. Babubhai Patel | 10 | 10 | 100 | Yes | Nil | Nil | Nil |
| 5. | Mr. Girish Nathubhai Desai | 10 | 10 | 100 | Yes | Nil | Nil | Nil |
| 6. | Mr. Kalpesh Lalitchandra Joshi | 10 | 10 | 100 | Yes | 1 | 1 | 2 |

Notes:

- ⁽¹⁾ The number of other directorships excludes directorships held in Private Limited Companies, Foreign Companies and that of the Company.
- ⁽²⁾ This includes the Chairmanship/Membership only in the Audit Committee and Stakeholders Relationship Committee of all listed and unlisted public limited companies.
- ⁽³⁾ None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2018 have been made by the Directors.

3. COMMITTEES OF THE BOARD OF DIRECTORS

The Board functions either as full Board or through various Committees constituted to oversee specific operational areas. Each Committee of the Board is guided by its terms of reference, which defines the composition, scope and powers of the Committee. The Committees meet at regular intervals and focus on specific areas and make informed decisions within the authority delegated to them. As on March 31, 2018, the Board had the following committees:

- 1. Audit Committee;**
- 2. Nomination and Remuneration Committee; and**
- 3. Stakeholders Relationship Committee.**

3.1 AUDIT COMMITTEE

The audit committee of the Company is constituted during the year under review, in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act. Committee lays emphasis on adequate disclosures and compliance with all relevant statutes. During the financial year 2017-18, the composition and attendance of members of the Audit Committee was as under:

| S. No. | Name of Committee Members | Position in the Committee | Number of Meetings | | | Attendance at last AGM held on August 29, 2017 |
|--------|----------------------------------|---------------------------|----------------------|----------|--------------------------|--|
| | | | Held during the year | attended | percentage of attendance | |
| 1. | Mr. Babubhai Patel | Chairman | 4 | 4 | 100 | Yes |
| 2. | Mr. Kalpesh Lalitchandra Joshi | Member | 4 | 4 | 100 | Yes |
| 3. | Mr. Rameshchandra Nathalal Patel | Member | 4 | 4 | 100 | Yes |

The quorum for Audit Committee meeting shall either be two members or one third of the members of the Audit Committee, whichever is greater, with at least two Independent Directors. The Secretary of the Company acts as a Secretary to the Committee

Role of the Audit Committee:

- (i). Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (ii). Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (iii). Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (iv). Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
- (v). Reviewing, with the management, the quarterly & half yearly financial statements before submission to the board for approval;
- (vi). Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency

monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

- (vii). Review and monitor the auditors' independence and performance, and effectiveness of audit process;
- (viii). Approval or any subsequent modification of transactions of the Company with related parties;
- (ix). Scrutiny of inter-corporate loans and investments;
- (x). Examination of the financial statement and the auditors' report thereon;
- (xi). Evaluation of internal financial controls and risk management systems;
- (xii). Establish a vigil mechanism for directors and employees to report genuine concerns in
- (xiii). Such manner as may be prescribed;
- (xiv). The audit committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;
- (xv). The audit committee shall review the information required as per SEBI Listing Regulations.
- (xvi). The audit committee invites such of the executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings.

During the financial year 2017-18, four (4) meetings of the Audit Committee were held on (i) May 30, 2017, (ii) August 01, 2017, (iii) November 10, 2017, and (iv) February 23, 2018. The time gap between any two meetings was less than four months.

3.2 NOMINATION AND REMUNERATION COMMITTEE

The nomination and remuneration of the Company is constituted during the year under review, in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act.

As on March 31, 2018, the composition of the Nomination and Remuneration Committee was as under:

| S. No. | Name of Committee Members | Position in the Committee | Number of Meetings | | | Attendance at last AGM held on August 29, 2017 |
|--------|--------------------------------|---------------------------|----------------------|----------|--------------------------|--|
| | | | Held during the year | attended | percentage of attendance | |
| 1. | Mr. Girish Nathubhai Desai | Chairman | 4 | 4 | 100 | Yes |
| 2. | Mr. Babubhai Patel | Member | 4 | 4 | 100 | Yes |
| 3. | Mr. Kalpesh Lalitchandra Joshi | Member | 4 | 4 | 100 | Yes |

Quorum of the Nomination and Remuneration Committee Meeting is two members including Chairman of the Committee. During the financial year 2017-18, four (4) meeting of the Committee was held on (i) May 30, 2017, (ii) August 01, 2017, (iii) November 10, 2017, and (iv) February 23, 2018.

The roles and responsibilities of the Committee include the following:

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board for their appointment and removal.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To devise a policy on Board diversity.
- To ensure that remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- Considering, approving and recommending to the Board changes in designation and increase in salary of the Directors, KMP and other employees.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable;
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

Remuneration Policy:

Pursuant to the requirement of Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the Board has on the recommendation of the Nomination and Remuneration Committee, framed a policy on appointment of Directors including criteria for determining qualifications, positive attributes, independence of a Director and the policy on remuneration of Directors, KMP and other senior management. Remuneration policy in the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our Business Model promotes customer centricity and requires employee mobility to address project needs. The remuneration policy supports such mobility through pay models that are compliant to applicable rules and regulation.

The Company pays remuneration by way of salary, benefits, perquisites and allowances and commission, if approved by the Board to its Managing Director and the Whole Time Directors. Annual increments are decided by the Nomination and Remuneration Committee within the salary scale approved by the members and are effective April 1, each year. The Nomination and Remuneration Committee decides on the commission payable to the Managing Director and the Whole Time Directors out of the profits for the financial year and within the ceilings prescribed under the Act based on the performance of the Company as well as that of the Managing Director and each Whole Time Director.

Managerial Remuneration:

a. Remuneration of Chairman & Managing Director and Whole Time Director

The details of remuneration paid to Chairman & Whole Time Director, Managing Director and Whole Time Directors of the Company for the financial year 2017-18 are as under:

| Particulars | Amount in Rs. | | |
|----------------------------------|-----------------------------|----------------------------|--------------------------------|
| | Rmeshchandra Nathalal Patel | Alkesh Rameshchandra Patel | Jyotsnaben Rameshchandra Patel |
| Salary | 29,76,000 | 41,76,000 | - |
| Contribution to PF & Other Funds | 21,600 | 21,600 | - |
| Professional Tax | 2,400 | 2,400 | - |
| Total | 30,00,000 | 42,00,000 | - |

b. Non-Executive Independent Directors (NEIDs):

During the year, the NEIDs were neither paid any remuneration nor granted any loans or advances. A Non-Executive Director will be eligible for sitting fees for each meeting of the Board attended by him/her, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Act and the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014. A Non-Executive Director is also eligible for reimbursement the expenses incurred by him for attending the Board and / or Committee of Board meetings, there are no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors except those disclosed in the financial statements for the year ended on 31st March, 2018.

The details of sitting fees paid to the Non-Executive Directors during the financial year 2017-18 are given below:

| Sr. No. | Name of Non-Executive Director | Sitting Fees (in Rs.) |
|---------|--------------------------------|-----------------------|
| 1 | Babubhai Patel | - |
| 2 | Girish Nathubhai Desai | - |
| 3 | Kalpesh Lalitchandra Joshi | - |

c. Details of shares of the Company held by the Directors as on March 31, 2018 are given below:

| Sr. No. | Name of the Director | No. of Equity Shares held |
|---------|--------------------------------|---------------------------|
| 1 | Rameshchandra Nathalal Patel | 21,00,000 |
| 2 | Alkesh Rameshchandra Patel | 20,99,940 |
| 3 | Jyotsnaben Rameshchandra Patel | 33,00,000 |
| 4 | Babubhai Patel | Nil |
| 5 | Girish Nathubhai Desai | Nil |
| 6 | Kalpesh Lalitchandra Joshi | Nil |

3.3 STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Company has constituted a Stakeholders Relationship Committee in terms of the provisions of the Companies Act, 2013, Listing Regulations and other applicable laws. This Committee specifically looks into the redressal of complaints from various security holders such as shareholders such as non-receipt of dividend credit/warrants, annual report, transfer of shares, issue of duplicate share, matters connected with transfer, transmission, rematerialization, dematerialization, splitting and consolidation of securities issued by the Company.

As on March 31, 2018, the composition of the Stakeholders Relationship Committee was as under:

| S. No. | Name of Committee Members | Position in the Committee | Number of Meetings | | | Attendance at last AGM held on August 29, 2017 |
|--------|--------------------------------|---------------------------|----------------------|----------|--------------------------|--|
| | | | Held during the year | attended | percentage of attendance | |
| 1. | Mr. Babubhai Patel | Chairman | 4 | 4 | 100 | Yes |
| 2. | Mr. Kalpesh Lalitchandra Joshi | Member | 4 | 4 | 100 | Yes |
| 3. | Mr. Alkesh Rameshchandra Patel | Member | 4 | 4 | 100 | Yes |

The quorum of meeting of the Stakeholders Relationship Committee is two members including the Chairman of the Committee. During the financial year 2017-18, four (4) meetings of the stakeholders' relationship committee were held during the year on (i) May 30, 2017, (ii) August 01, 2017, (iii) November 10, 2017, and (iv) February 23, 2018.

Status of Shareholders/Investors Grievances

The Company has been attending to all investor grievances/complaints expeditiously and promptly to the satisfaction of stakeholder(s). The status of Shareholders/ Investors Grievances pursuant to Regulation 13(3) of Listing Regulations for the financial year 2017-18, is as follows:

| Particulars | Number of Complaints |
|--|----------------------|
| Pending at the beginning of the financial year | Nil |
| Received during the financial year | Nil |
| Disposed during the financial year | Nil |
| Remaining unresolved as on March 31, 2018 | Nil |

Name, designation and address of Compliance Officer:

Ms. Komal Manoharlal Motiani, Company Secretary
Loyal Equipments Limited
 Block No. 35/1-2-3-4, Village Zak,
 Ta: Dahegam, Gandhinagar – 382 330
 Tel No: +91-2718-247236, +91-2716-269399
 Fax No.: +91-2716-269033,
 E-mail: cs@loyalequipments.com
 Website: www.loyalequipments.com

4. GENERAL BODY MEETING:

(a) Annual General Meetings (AGM):

The date and time of Annual General Meetings held during last three years, and the special resolution(s) passed thereat, are given below:

| Meeting No. | Financial Year | Date | Time | Venue | Whether any Special Resolutions passed |
|-----------------|----------------|-------------------------|----------|--|--|
| 8 th | 2014-15 | Thursday, June 11, 2015 | 11.00 AM | Block No. 35/1-2-3-4, Village Zak, Ta: Dahegam, Gandhinagar – 382330 | Yes |

| | | | | | |
|------------------|---------|---------------------------------|-------------|--|-----|
| 9 th | 2015-16 | Saturday, August 27, 2016 | 9.30 AM | Block No. 35/1-2-3-4, Village Zak, Ta: Dahegam, Gandhinagar – 382330 | NIL |
| 10 th | 2016-17 | Tuesday, August 29, 2017 | 11.00 AM | Block No. 35/1-2-3-4, Village Zak, Ta: Dahegam, Gandhinagar – 382330 | Yes |

(b) Extra ordinary General Meetings (EGM):

| Day, Date and Time of EGM | Venue | Special Resolutions passed |
|--|--|---|
| 28 th April, 2015 at 11.00 a.m. | 6, Chitrakoot Bungalows, Nr. Surdhara Society, Dahegam Road, Naroda - 382330 | 1. Increase in Authorised Share Capital 2. To issue Bonus Shares 3. Shifting of Registered Office |
| 2 nd May, 2015 at 11.00 a.m. | Block No. 35/1-2-3-4, Village Zak, Ta: Dahegam, Gandhinagar – 382330 | 1. Conversion of Company from Private Limited to Public Limited 2. Alteration of Articles of Association 3. Alteration of Memorandum of Association |
| 19 th May, 2015 at 11.00 a.m. | Block No. 35/1-2-3-4, Village Zak, Ta: Dahegam, Gandhinagar – 382330 | 1. Approval of Initial Public Offer |
| 13 th June, 2015 at 11.00 a.m. | Block No. 35/1-2-3-4, Village Zak, Ta: Dahegam, Gandhinagar – 382330 | 1. Change in Designation of Alkesh Rameshchandra Patel 2. Change in Designation of Rameshchandra Nathalal Patel 3. Change in Designation of Jyotsnaben Rameshchandra Patel 4. Regularisation of Appointment of Kalpesh Joshi |

(c) Resolutions Passed Though Postal Ballot:

During the financial year ended March 31, 2018, Special Resolution was passed through postal ballot and as on the date of this Report there is no special resolution proposed to be conducted through postal ballot.

5. SERVICE OF DOCUMENTS THROUGH ELECTRONIC MEANS

The Companies Act, 2013 permits companies to send documents like Notice of Annual General Meeting, Annual Report and other documents through electronic means to its members at their registered email addresses, besides sending the same in physical form.

As a responsible Corporate Citizen, your Company has actively supported the paper less initiative and digitalization move and effected electronic delivery of Notice and Annual Report and other documents to those shareholders whose email ids were registered with the respective Depository Participants (DPs). The intimation of Interim/ Final Dividend paid are also being sent electronically to those shareholders whose email ids were registered.

Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address with their Depository Participant (DP) or with the Registrar and Share Transfer Agent (R&TA) of the Company, for receiving communications in electronic form.

Further, the Agenda and Explanatory Notes of all the Meetings of the Board and Committees thereof of Company are being sent to Directors through electronic means under a secured platform, to enable them to access the Agenda papers without any hassle.

6. SECRETARIAL AUDIT

Mr. Vivek Sharma, Proprietor of M/s Sharma Vivek & Associates, Practicing Company Secretaries, Jaipur has conducted Secretarial Audit for the financial year 2017-18 and have submitted their report to the Company. A copy of Secretarial Audit Report is set out elsewhere in this Annual Report for information of the shareholders.

7. RELATED PARTY TRANSACTION:

The Company has formulated a Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions as per provisions of Listing Regulations and the same is available on the website of the Company on the following link: http://www.loyalequipments.com/data/policy/policy_related_party_transactions.pdf.

In line with the said Policy, all the Related Party Transactions were approved by the Audit Committee and/ or by the Board of Directors, as the case may be. The transactions with related parties are included in the Notes to the Accounts as per Accounting Standard-18 and other applicable provisions of Companies Act, 2013. Further, a status report on Related Party transactions is put up for information of Audit Committee and Board of Directors on quarterly basis. The particulars of Related Party Transactions are given in form AOC-2 annexed to the Board's Report.

8. RECONCILIATION OF SHARE CAPITAL AUDIT:

A qualified practicing Company Secretary or Chartered Accountant carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

9. DISCLOSURES

- i. The Company has complied with all the requirements of Listing Regulations, the Companies Act, 2013, Secretarial Standards.
- ii. The Company has not entered into any material, financial or commercial transactions with the Director(s) or the Management or their relatives or the companies and firms, etc., in which they are either directly or through their relatives interested as Directors and/ or Partners.
- iii. The Company affirms that a Whistle Blower Policy/ Vigil Mechanism is in place and no person has been denied access to the Competent Authority.
- iv. A separate meeting of Independent Directors was held on April 15, 2017, in compliance of Companies Act, 2013, Listing Regulations.

10. CODE OF BUSINESS CONDUCT AND ETHICS FOR BOARD MEMBERS AND SENIOR MANAGEMENT

The Board of Directors of the Company had approved and adopted "Code of Business Conduct and Ethics for Board Members and Senior Management", in line with Companies Act, 2013 and Listing Regulations and adopted in supersession of the earlier Code of Conduct.

The Code of Business Conduct and Ethics for the Board Members and Senior Management is a comprehensive code applicable to all Directors, Key Managerial Personnel and Members of Senior management of the Company. It has been laid down in alignment with Company's mission and objectives and aims at enhancing ethical and transparent process in managing the affairs of the Company. A copy of the Code of Business Conduct and Ethics is available on the website of the Company at http://www.loyalequipments.com/data/code_of_conduct/code_of_buisness_conduct_and_ethics_for_director_and_senior_management_executives.pdf.

11. CODE FOR PREVENTION OF INSIDER TRADING IN EQUITY SHARES/SECURITIES

In terms of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a comprehensive Code for Prevention of Insider Trading in Loyal Equity Shares/ Securities (“Code”) to preserve the confidentiality and to prevent misuse of unpublished price sensitive information. The main objective of the Code is to restrain an insider of the Company to derive any benefit or assist others to derive any benefit, from the access and possession of unpublished price sensitive information about the Company, which is not in the public domain.

The Code lays down guidelines and procedures to be followed and disclosures to be made while dealing with the shares/ securities of the Company and the consequences of non-compliance. The Company Secretary has been appointed as the Compliance Officer and is responsible for adherence of the said Code. A copy of the Code has been posted on the Company’s website at http://www.loyalequipments.com/data/code_of_conduct/code_of_conduct_for_prevention_of_insider_trading.pdf.

In line with the requirement of the said Code, whenever some unpublished price sensitive information is submitted to the Board for consideration and approval, the trading window is being closed from time to time. Notice of the closure of trading window is issued to designated employees and concerned persons well in advance and proper announcements are also made on the website of the Company as well as to Stock Exchanges where the shares of the Company are listed, restraining them from dealing in securities of the Company when the window is closed.

12. MEANS OF COMMUNICATION:

The Company recognizes the rights of shareholders & communications as key elements of the overall Corporate Governance framework and therefore emphasizes on continuous, efficient and relevant communication with shareholders and other stakeholders.

A dedicated Investor Relations Cell has been set up in the Company for interaction with the analysts and providing timely information and to hold analyst meetings in order to keep the investors updated about the matters related to the Company and to develop an appropriate feedback system that directs the information flow and communication between the management and investors. The Company communicates with its shareholders through its Annual Reports, General Meetings and disclosures on its website and through Stock Exchanges.

The Company’s website (www.loyalequipments.com) contains a separate dedicated section ‘Investor Relations’ where shareholders’ information is available. The Company’s Annual Report is also available in a user-friendly and downloadable form.

The Annual Report containing, inter alia, Audited Financial Statement, Board’s Report, Auditors’ Report and other important information is circulated to members and others entitled thereto. The Management’s Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company’s website. The main channel of communication to the shareholders is through Annual Report.

The Annual General Meeting is a platform for face-to-face communication with the shareholders, where the Chairman, Managing/Whole Time Director makes presentation on the performance, operating and financial results of the Company. The Chairman, Managing/Whole Time Director and other Key Managerial Personnel also respond to the specific queries of the shareholders.

As mandated by the Ministry of Corporate Affairs (MCA) documents like Notices, Annual Report, ECS advices for dividends, etc. were sent to the shareholders at their email address, as registered with their Depository Participants/ Company/ RTA. This helped in prompt delivery of document, reduce paper consumption, save trees and avoid loss of documents in transit.

The Company also intimates to the Stock Exchanges all price sensitive matters which in its opinion are material and of relevance to the shareholders and subsequently issues a Press Release on such matters, wherever necessary.

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, media releases, among others are also filed electronically on the Listing Centre.

13. CEO/CFO CERTIFICATION

In terms of Regulation 17 (8) of the Listing Regulations, a Certificate on financial reporting and internal controls to the Board, duly signed by Managing Director and CFO was placed before the Board of Directors in its Board Meeting held on May 29, 2018 while considering the Annual Audited Financial Statements of the Company for the financial year ended on March 31, 2018.

14. GENERAL SHAREHOLDER INFORMATION:

i. Company Registration Details:

The Company is registered in the State of Gujarat, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L29190GJ2007PLC50607.

ii. Annual General Meeting:

| | |
|------------------------|---|
| Date & Time | Friday, July 27, 2018 at 11.00 A.M |
| Venue | Loyal Equipments Limited, Block No. 35/1-2-3-4, Village Zak, Ta: Dahegam, Gandhinagar – 382330, Gujarat, India |

As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking re-appointment at the forthcoming AGM are given herein and in the Annexure to the Notice of the AGM to be held on July 27, 2018.

iii. Financial Calendar:

| | |
|-------------------------|----------|
| Year ending | March 31 |
| AGM in | July |
| Dividend Payment | NA |

iv. Date of Book Closure

The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, July 21, 2018 to Friday, July 27, 2018 (Both days inclusive).

v. Listing on Stock Exchanges: Loyal shares is listed on the following Stock Exchange:

| Name & Address | Telephone / Fax / E-mail ID / Website | Script Code |
|---|--|--------------------|
| BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001. | Telephone: (022) 22721233/4 Fax: (022) 22721919 E-mail ID: corp.relations@bseindia.com Website: www.bseindia.com | 539227 |

vi. Dividend Policy: Dividends, other than interim dividend(s), are to be declared at the Annual General Meetings of shareholders based on the recommendation of the Board of Directors. Generally, the factors that may be considered by the Board of Directors before making any recommendations for dividend include, without limitation, the Company's future expansion plans and capital requirements, profits earned during the fiscal year, cost of raising funds from alternate sources, liquidity position, applicable taxes including tax

on dividend, as well as exemptions under tax laws available to various categories of investors from time to time and general market conditions.

- vii. **Market Price Data:** The closing market price of equity shares on 31st March, 2018 (last trading day of the year) was Rs. 52.55 on BSE. The monthly movement of equity share prices for the last year at BSE is summarized as herein below:

| Month | High Price | Low Price | No. of Equity Shares Traded |
|-----------------|------------|-----------|-----------------------------|
| April, 2017 | 49.80 | 41.40 | 1,44,000 |
| May, 2017 | 48.90 | 42.00 | 1,88,000 |
| June, 2017 | 48.00 | 35.10 | 80,000 |
| July, 2017 | 64.00 | 39.05 | 2,40,000 |
| August, 2017 | 62.00 | 45.25 | 2,80,000 |
| September, 2017 | 51.15 | 33.60 | 1,48,000 |
| October, 2017 | 35.40 | 31.10 | 48,000 |
| November, 2017 | 45.85 | 29.15 | 3,75,000 |
| December, 2017 | 55.35 | 45.55 | 3,72,000 |
| January, 2018 | 64.85 | 47.25 | 7,50,000 |
| February, 2018 | 64.40 | 50.40 | 3,30,000 |
| March, 2018 | 54.50 | 50.00 | 87,000 |

- viii. **Registrars and Transfer Agents:** Name and Address are as under:

Sharex Dynamic (India) Private Limited
Unit-1, Luthra Ind Premises, 1st Floor, 44 E,
M Vasanti Marg, Andheri Kurla Road, Safeed Pool,
Andheri East, Mumbai, Maharashtra 400072

- ix. **Share Transfer System:** 100.00% of the equity shares of the Company are in electronic form. Transfer of these shares is done through the depositories with no involvement of the Company.

- x. **Shareholding as on March 31, 2018:**

Distribution of equity shareholding as on March 31, 2018:

| No. of equity shares held | No. of shareholders | % of shareholders | Total Amount | % of Amount |
|---------------------------|---------------------|-------------------|------------------|---------------|
| 1-5000 | 3 | 1.58 | 450.00 | 0.00 |
| 5001-10000 | - | - | - | - |
| 10001-20000 | - | - | - | - |
| 20001-30000 | 75 | 39.47 | 2250000 | 2.21 |
| 30001-40000 | - | - | - | - |
| 40001-50000 | - | - | - | - |
| 50001-100000 | 34 | 17.89 | 2370000 | 2.32 |
| 100001 and Above | 78 | 41.05 | 97379550 | 95.47 |
| TOTAL | 190 | 100.00 | 102000000 | 100.00 |

By category of shareholders:

| S. No. | Category | No. of Shareholders | No. of Shares held | % of Shareholding |
|--------|-----------|---------------------|--------------------|-------------------|
| 1. | Promoters | 6 | 7499985 | 73.53% |



| | | | | |
|----|--|------------|-----------------|----------------|
| 2. | Central Government/ State Government(s)/ President of India | | - | - |
| 3. | Non-Institutions | | | |
| | [a(i)] Individuals- (i) Individual shareholder shareholding nominal share capital up to Rs. 2 lakhs | 131 | 909000 | 8.91% |
| | [a(ii)] Individuals- (ii) Individual shareholder shareholding nominal share capital in excess of Rs. 2 lakhs | 21 | 1230015 | 12.06% |
| | (b) NBFCs registered with SEBI | | | |
| | (c) Employee Trusts | | | |
| | (d) Overseas Depository (holding DRs) (balancing figure) | | | |
| | (e) Any Other Specify | 32 | 561000 | 5.50% |
| | -Bodies Corporate | 7 | 78000 | 0.76% |
| | -Clearing Member | 6 | 102000 | 1.00% |
| | -Non-Resident Indian (NRI) | 1 | 180000 | 1.76% |
| | HUF | 18 | 201000 | 1.97% |
| | Total | 190 | 10200000 | 100.00% |

Top Ten Equity Shareholders of the Company as on March 31, 2018:

| Sr. No. | Name of the shareholder | Number of equity shares held | Percentage of holding |
|---------|---------------------------------|------------------------------|-----------------------|
| 1 | Jyotsanaben Rameshchandra Patel | 3300000 | 32.353 |
| 2 | Rameshchandra Nathalal Patel | 2100000 | 20.588 |
| 3 | Alkesh Rameshchandra Patel | 2099940 | 20.588 |
| 4 | Ghanshyam Kalwani | 180000 | 1.765 |
| 5 | Naresh Kumar Saraf | 174000 | 1.710 |
| 6 | Sunita Sarwankumar Saraf | 168000 | 1.647 |
| 7 | Pravinaben S Menpara | 108000 | 1.059 |
| 8 | Savjibhai M Menpara | 102000 | 1.000 |

- xi. Dematerialisation of shares and liquidity:** The Company's shares are compulsorily traded in dematerialised form on BSE. 100.00 % of the Equity share capital is dematerialised as on March 31, 2018. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE876S01017.
- xii. Outstanding GDRs / ADRs / Warrants / any other convertible instruments:** As on date, the Company does not have any outstanding instruments of the captioned type.
- xiii. Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Fund ("IEPF"):** No amount pursuant to Sections 205A and 205C of the Companies Act, 1956 and other applicable provisions, if any, of the Act, all unclaimed / unpaid dividend, application money, debenture interest and interest on deposits as well as the principal amount of debentures and deposits, as applicable, remaining unclaimed / unpaid for a period of seven years from the date they became due for payment.
- xiv. Annual Listing Fee to Stock Exchange**

The Company has paid Annual Listing Fee for the Financial Year 2018-19 to BSE Limited in relation to its listed securities.



xv. Annual Custodial Fee to Depositories

The Company has timely paid the annual custodian fee for financial year 2018-19 to National Securities Depository Limited and Central Depository Services (India) Limited.

xvi. Plant Locations

As the Company is engaged in the manufacturing process and the plant of company is situated at Block No. 35/1-2-3-4, Village Zak, Dahegam, Gandhinagar – 382 330.

xvii. Address for correspondence:

Loyal Equipments Limited
Block No. 35/1-2-3-4, Village Zak,
Dahegam, Gandhinagar – 382 330, Gujarat, India.

xviii. Corporate Identification Number (CIN)

L29190GJ2007PLC050607

xix. Compliance Officer and Public Spokesperson

Ms. Komal Manoharlal Motiani
Company Secretary
Loyal Equipments Limited
Block No. 35/1-2-3-4, Village Zak,
Dahegam, Gandhinagar – 382 330, Gujarat, India.
E-mail: cs@loyalequipments.com

For and on behalf of the Board of Directors

Date: June 27, 2018

Place: Dahegam, Gandhinagar,

Sd/-

Alkesh Rameshchandra Patel
Managing Director
DIN – 02672297

Sd/-

Rameshchandra Nathalal Patel
Chairman & Whole-time Director
DIN - 01307699

CERTIFICATE ON CORPORATE GOVERNANCE

**To,
The Members
Loyal Equipments Limited
Gujarat, India.**

I have examined the compliance of conditions of Corporate Governance by Loyal Equipments Limited (“the Company”), for the year ended on March 31, 2018, as stipulated in Regulations 17 to 27 (excluding regulation 23 (4)) and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations.

1. The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to a review of 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 opinion on the financial statements of the Company.
2. I have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.
3. Based on my examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2018.
4. I state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

**Vivek Sharma
Company Secretary
Membership No. A38510 CP. No. 14773**

**Date: June 27, 2018
Place: Jaipur**

AUDITOR'S REPORT

To,
The Members
Loyal Equipments Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **Loyal Equipments Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, for the year ended on March 31, 2018, the Cash flow statement for the year ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements to give a true and fair view of the financial position, financial performance & cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, and the Rules made thereunder including the accounting & auditing standards and matters which are required to be included in the audit report.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its Profit & Loss A/c & Cash Flow for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by 'the Companies (Auditors Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the Annexure "A" a statement on the matters specified in paragraph 3 and 4 of the Order.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss & Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of internal financial control over financial reporting of the company & the operating effectiveness of such controls, refer to our separate report in Annexure "B" and;
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - (i) The Company does not have any pending litigations as at March 31, 2018.
 - (ii) The Company has made provision, as at March 31, 2018 as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - (iii) The Company is not liable to transfer any amounts, to the Investor Education and Protection Fund during the year ended March 31, 2018.

For, J. M. PATEL & BROS.
Chartered Accountants
F.R.No. 107707W

Sd/-
(J. M. Patel)
Proprietor

Place: Dahegam
Date: 29th May, 2018

ANNEXURE “A” TO THE AUDITOR’S REPORT**REFERRED TO OUR REPORT OF EVEN DATE**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- 1)
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
 - c) The title deeds of immovable properties are held in the name of the company.
- 2)
 - (a) The management has conducted the physical verification of inventory at reasonable intervals.
 - b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2016 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7)
 - (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable.
 - b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.



- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer excluding debt instruments and term Loans during the year.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For, J. M. PATEL & BROS.
Chartered Accountants
F.R.No. 107707W

Sd/-

(J. M. Patel)
Proprietor

Place: Dahegam
Date: 29th May, 2018

ANNEXURE “B” TO THE AUDITOR’S REPORT

Report on the Internal Financial Control under clause (i) of sub section 3 of Section 143 of companies Act, 2013 (‘The Act’)

We have audited the internal financial control over financial reporting of Loyal Equipments Limited (‘the company’) as of 31st March, 2018 in conjunction with our audit of the standalone financial statement of the company for the year ended on that date.

Management Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, J. M. PATEL & BROS.

Chartered Accountants

F.R.No. 107707W

Sd/-

(J. M. Patel)

Proprietor

Place: Dahegam

Date: 29th May, 2018



BALANCE SHEET FOR THE YEAR ENDED AS AT MARCH 31, 2018

| Particulars | Note No. | Amount (In '000) | Amount (In '000) |
|---|--------------|------------------|------------------|
| | | 31.03.2018 | 31.03.2017 |
| I. EQUITY AND LIABILITIES | | | |
| 1) Shareholder's Funds | | | |
| a) Share Capital | 1 | 102000.00 | 68000.00 |
| b) Reserve & Surplus | 2 | 35790.30 | 48899.69 |
| C) Money received against share warrants | | 0.00 | 0.00 |
| 2) Share Application Money Pending Allotment | | | |
| 3) Non-Current Liabilities | | | |
| a) Long-Term Borrowings | 3 | 5624.15 | 8739.79 |
| b) Deferred Tax Liabilities (Net) | 4 | 0.00 | 295.73 |
| c) Other Long-Term Liabilities | | 0.00 | 0.00 |
| d) Long-Term Provisions | 5 | 958.49 | 2127.31 |
| 4) Current Liabilities | | | |
| a) Short-Term Borrowings | 6 | 17894.35 | 31683.52 |
| b) Trade Payables | 7 | 49893.49 | 16094.53 |
| c) Other Current Liabilities | 8 | 37181.79 | 11734.88 |
| d) Short-Term Provisions | 9 | 7922.66 | 10491.68 |
| | TOTAL | 257265.23 | 198067.13 |
| II. ASSETS | | | |
| 1) Non-Current Assets | | | |
| a) Fixed Assets | | | |
| i) Tangible Assets | 10 | 53566.61 | 49287.41 |
| ii) Intangible Assets | 10 | 1161.76 | 1982.79 |
| iii) Capital Work-in-Progress | | 8321.50 | 1120.17 |
| iv) Intangible Assets under Development | | | |
| b) Non-Current Investments | 11 | 1117.79 | 1409.19 |
| c) Deferred Tax Assets | 4 | 18.05 | 0.00 |
| d) Long-Term Loans & Advances | 12 | 1921.58 | 687.52 |
| e) Other Non-Current Assets | 13 | 1882.68 | 2074.01 |
| 2) Current Assets | | | |
| a) Current Investments | 14 | 0.00 | 14406.50 |
| b) Inventories | 15 | 125735.40 | 62650.69 |



| | | | |
|--|--------------|------------------|------------------|
| c) Trade Receivables | 16 | 34020.11 | 28185.74 |
| d) Cash and Cash Equivalent | 17 | 2940.64 | 19499.03 |
| e) Short-Term Loans and Advances | 18 | 6889.22 | 415.31 |
| f) Other Current Assets | 19 | 19689.89 | 16348.77 |
| | | | |
| | TOTAL | 257265.23 | 198067.13 |
| Significant Accounting Policies Notes on Financial Statements. | 28 | | |

For and On behalf of the Board of Loyal Equipments Limited

**As per Our Separate Report of
Even Date**

Sd/-

Sd/-

Rameshchandra N Patel
Director
DIN – 01307699

Alkesh R Patel
Managing Director
DIN – 02672297

For **JM Patel & Bros**
Chartered Accountant
F.R.No. 107707W

Sd/-

Sd/-

Sd/-

Amit Patel
Chief Financial Officer

Komal M. Motiani
Company Secretary

CA. J.M. Patel
PROPRIETOR
M.No. 30161

Place : Dahegam

Date : 29/05/2018



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2018

| Particulars | Note No. | Amount (In '000) | Amount (In '000) |
|--|----------|------------------|------------------|
| | | 31.03.2018 | 31.03.2017 |
| I. INCOME | | | |
| a) Revenue from Operations | 20 | 213335.11 | 193041.46 |
| b) Other Income | 21 | 2091.56 | 1798.35 |
| TOTAL REVENUE | | 215426.67 | 194839.81 |
| II. EXPENDITURE | | | |
| a) Cost of Raw Material Consumed | 22 | 158393.28 | 94382.72 |
| b) Purchases of Stock in Trade | | 0.00 | 0.00 |
| c) Changes in Inventory of Finished Goods, Work In Progress & Stock In Trade | 23 | -48341.60 | 6910.25 |
| d) Employee Benefit Expenses | 24 | 33047.81 | 22828.03 |
| e) Finance Costs | 25 | 3441.11 | 3050.97 |
| f) Depreciation and Amortization Expenses | 26 | 11234.26 | 9766.25 |
| g) Other Expenses | 27 | 29912.52 | 25359.67 |
| TOTAL EXPENSES (a to g) | | 187687.38 | 162297.89 |
| Profit Before exceptional and extraordinary items and Tax | | 27739.29 | 32541.92 |
| Less: Exceptional items | | 0.00 | 0.00 |
| Profit Before extraordinary items and Tax | | 27739.29 | 32541.92 |
| Less: Extraordinary items | | 0.00 | 0.00 |
| Profit Before Tax | | 27739.29 | 32541.92 |
| Less : Tax Expenses | | | |
| a) Current year Tax | | 7922.66 | 10491.68 |
| b) Income Tax related to Previous Year | | 221.41 | 651.50 |
| c) Deferred Tax | | (313.78) | (436.10) |
| Profit/(Loss) for the Year | | 19909.01 | 21834.83 |
| Earning per equity share of face value of Rs. 10 each Basic and Diluted | | 2.34 | 3.21 |
| Significant Accounting Policies | 28 | | |
| Notes on Financial Statements | | | |



For and On behalf of the Board of Loyal Equipments Limited

**As per Our Separate Report of
Even Date**

Sd/-

Sd/-

Rameshchandra N Patel
Director
DIN – 01307699

Alkesh R Patel
Managing Director
DIN – 02672297

For JM Patel & Bros
Chartered Accountant
F.R.No. 107707W

Sd/-

Sd/-

Sd/-

Amit Patel
Chief Financial Officer

Komal M. Motiani
Company Secretary

CA. J.M. Patel
PROPRIETOR
M.No. 30161

Place : Dahegam

Date : 29/05/2018



CASH FLOW STATEMENT FOR THE YEAR ENDED AS ON MARCH 31, 2018

| Particulars | Amount (In '000) | |
|--|--------------------|--------------------|
| | 31.03.2018 | 31.03.2017 |
| Cash flows from operating activities | | |
| Profit before taxation & Extraordinary items | 27739.29 | 32541.92 |
| <i>Adjustments for:</i> | | |
| Depreciation | 11,234.26 | 9,766.25 |
| IPO Expenses Written Off | 691.35 | 691.35 |
| Investment income | (1,029.42) | (1,302.01) |
| Finance Cost | 3,441.11 | 3,050.97 |
| <i>Working capital changes:</i> | | |
| (Increase) / Decrease in trade and other receivables | (5,834.37) | (10,204.14) |
| (Increase) / Decrease in other current assets | (3,341.12) | (7,814.04) |
| (Increase) / Decrease in inventories | (63,084.71) | (1,089.75) |
| Increase / (Decrease) in trade payables | 33,798.96 | 2,957.25 |
| Increase / (Decrease) in other current liabilities | 25446.91 | (21,134.90) |
| Cash generated from operations | 29,062.26 | 7,462.89 |
| Income taxes paid | (10900.33) | (3,972.87) |
| Payment of Dividend & Dividend Distribution Tax | - | (4,092.16) |
| Net cash from operating activities | 18,161.93 | (602.14) |
| Cash flows from investing activities | | |
| Purchase of Fixed Assets | (21,893.75) | (11,387.41) |
| Purchase/Sales of Investments | 14,697.90 | 505.00 |
| Increase in Deferred Revenue Expenditure | (500.00) | - |
| Long terms loans & Advances Granted/Received | (7,707.97) | 300.00 |
| Interest received | 877.14 | 1,251.40 |
| Dividend received | 41.75 | 40.10 |
| Income from Share Trading | 110.53 | 10.51 |
| Net cash used in investing activities | (14374.40) | (9,280.71) |
| Cash flows from financing activities | | |
| Payment of Long Term Borrowings | (3,115.64) | (760.21) |
| Payment of Short Term Borrowings | (13,789.17) | 607.90 |
| Payment of Finance Cost | (3,441.11) | (3,050.97) |
| Net cash used in financing activities | (20,345.92) | (3,203.28) |
| Net increase in cash and cash equivalents | (16,558.39) | (13,086.13) |



| | | |
|---|-----------------|------------------|
| Cash and cash equivalents at beginning of period | 19499.03 | 32,585.16 |
| | | |
| Cash and cash equivalents at end of period | 2940.64 | 19,499.03 |

For and On behalf of the Board of Loyal Equipments Limited

As per Our Report of Even Date Attached

Sd/-

Sd/-

Rameshchandra N Patel
Director
DIN – 01307699

Alkesh R Patel
Managing Director
DIN – 02672297

For **JM Patel & Bros**
Chartered Accountant
F.R.No. 107707W

Sd/-

Sd/-

Sd/-

Amit Patel
Chief Financial Officer

Komal M. Motiani
Company Secretary

CA. J.M. Patel
PROPRIETOR
M.No. 30161

Place : Dahegam
Date : 29/05/2018

**NOTES TO ACCOUNTS**

The previous year figures have been regrouped, rearranged and/or reclassified, wherever necessary to confirm to the current year presentation.

NOTE NO. 1 – SHARE CAPITAL

| Particulars | Amount (In '000) | Amount (In '000) |
|---|------------------|------------------|
| | 31.03.2018 | 31.03.2017 |
| Authorised Capital | 150000.00 | 80000.00 |
| (1,50,00,000.00 Equity shares of Rs. 10 Each Fully Paid-Up) | | |
| (Previous Year 80,00,000.00 Equity shares of Rs. 10 Each Fully Paid-Up) | | |
| | | |
| Issued, Subscribed and Paid Up Capital | 102000.00 | 68000.00 |
| (1,02,00,000 Equity shares of Rs. 10 Each Fully Paid-Up) | | |
| (Previous Year 68,00,000.00 Equity shares of Rs. 10 Each Fully Paid-Up) | | |
| | | |
| TOTAL | 102000.00 | 68000.00 |

1.1 The details of Shareholders holding more than 5% shares: -

| Name of the Shareholder (% of Holding) | No. of Shares (% of holding) | No. of Shares (% of holding) |
|--|------------------------------|------------------------------|
| Alkesh R Patel | 2099940 (20.59%) | 1399960 (20.59%) |
| Jyotsnaben R Patel | 3300000 (32.35%) | 2200000 (32.35%) |
| Rameshchandra N Patel | 2100000 (20.59%) | 1400000 (20.59%) |

1.2 The reconciliation of the number of shares outstanding is set out below: -

| Particulars | 31.03.2018 | 31.03.2017 |
|--|-----------------|----------------|
| | No. of Shares | No. of Shares |
| Equity Shares at the beginning of the year | 6800000 | 6800000 |
| Add : Shares issued during the year | 3400000 | NIL |
| Equity Shares at the end of the year | 10200000 | 6800000 |

1.3) The Company has one class of equity shares having a par value of Rs. 10/- per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.



1.4) The Company has allotted 34,00,000 equity shares of face value of Rs. 10 each on September 29, 2017 as bonus shares in the ratio of 1 share for every 2 shares held as approved in the meeting of members held on August 29, 2017.

NOTE NO. 2 – RESERVE AND SURPLUS

| Particulars | Amount (In '000) | Amount (In '000) |
|--|------------------|------------------|
| | 31.03.2018 | 31.03.2017 |
| (a) Capital Reserves | | |
| Opening Balance | 0.00 | 0.00 |
| Add: Transfer from Reserves in Current Year | 0.00 | 0.00 |
| Less : Utilized for Issue of Bonus Shares | 0.00 | 0.00 |
| Closing Balance | 0.00 | 0.00 |
| | | |
| (b) Surplus | | |
| Opening balance | 34499.69 | 12914.77 |
| (+) Net Profit/(Net Loss) For the current year | 19909.01 | 21834.83 |
| (-) Utilized for Issue of Bonus Shares | 19600.00 | 0.00 |
| (-) Provision for Gratuity | -981.60 | 249.91 |
| Closing Balance | 35790.30 | 34499.69 |
| | | |
| (C) Securities Premium | | |
| Opening Balance | 14400.00 | 14400.00 |
| Add : Addition in Current Year | 0.00 | 0.00 |
| Less : Utilized in Current Year | 0.00 | 0.00 |
| Closing Balance | 14400.00 | 14400.00 |
| TOTAL | 35790.30 | 48899.69 |

NOTE NO. 3 - LONG-TERM BORROWINGS TERM LOANS

| Particulars | Amount (In '000) | Amount (In '000) |
|--|------------------|------------------|
| | 31.03.2018 | 31.03.2017 |
| SECURED LOANS | | |
| ICICI Bank Machinery Loan | 1826.40 | 0.00 |
| Small Industrial Development Bank of India | 0.00 | 5050.00 |
| | 1826.40 | 5050.00 |
| OTHERS | | |
| SECURED LOANS | | |
| ICICI Bank Car Loan | 2779.47 | 3689.79 |
| HDFC Bank Limited Car Loan | 1018.28 | 0.00 |
| | 3797.75 | 3689.79 |
| TOTAL | 5624.15 | 8739.79 |

**NOTE NO. 4 – DEFERRED TAX ASSETS/LIABILITY(NET)**

| Particulars | Amount (In '000) | Amount (In '000) |
|--------------------------------|------------------|------------------|
| | 31.03.2018 | 31.03.2017 |
| Deferred Tax | 295.73 | 731.83 |
| Add : Addition to Current Year | -313.78 | -436.10 |
| | | |
| TOTAL | -18.05 | 295.73 |

NOTE NO. 5 - LONG TERM PROVISIONS

| Particulars | Amount (In '000) | Amount (In '000) |
|------------------------|------------------|------------------|
| | 31.03.2018 | 31.03.2017 |
| Provision for Gratuity | 958.49 | 2127.31 |
| | | |
| TOTAL | 958.49 | 2127.31 |

**NOTE NO. 6 - SHORT-TERM BORROWINGS
(Current Maturities repayable within year)**

| Particulars | Amount (In '000) | Amount (In '000) |
|--|------------------|------------------|
| | 31.03.2018 | 31.03.2017 |
| SECURED LOANS | | |
| ICICI Bank Car Loan | 910.33 | 830.19 |
| HDFC Bank Limited Car Loan | 181.72 | 0.00 |
| ICICI Bank Machinery Loan A/c | 510.00 | 0.00 |
| Small Industrial Development Bank of India | 5050.00 | 4200.00 |
| | 6652.05 | 5030.19 |
| OTHERS | | |
| SECURED LOANS | | |
| Kotak Mahindra Bank O/D | 11242.30 | 26653.33 |
| TOTAL | 17894.35 | 31683.52 |

NOTE NO. 7 - TRADE PAYABLES

| Particulars | Amount (In '000) | Amount (In '000) |
|-------------------------------|------------------|------------------|
| | 31.03.2018 | 31.03.2017 |
| Sundry Creditors for Expenses | 7674.40 | 3954.67 |
| Sundry Creditors for Goods | 42219.09 | 12139.86 |
| | | |
| TOTAL | 49893.49 | 16094.53 |

**NOTE NO. 8 - OTHER CURRENT LIABILITIES**

| Particulars | Amount (In '000) | Amount (In '000) |
|-------------------------------|-------------------------|-------------------------|
| | 31.03.2018 | 31.03.2017 |
| Unpaid Electricity bill | 48.38 | 163.94 |
| Unpaid Prof. Tax | 323.94 | 178.39 |
| Unpaid Prov. Fund | 207.71 | 123.28 |
| Unpaid Salary | 2176.66 | 1014.55 |
| Unpaid Interest | 65.95 | 99.00 |
| Audit Fees Payable | 25.00 | 25.00 |
| T.D.S Payable | 1156.77 | 50.32 |
| Unpaid Sales Tax | 0.00 | 357.37 |
| Advance Received from Debtors | 31594.84 | 9331.68 |
| Retention | 1124.18 | 375.35 |
| Unclaimed Dividend | 16.00 | 16.00 |
| Unclaimed Investor Fund | 442.34 | 0.00 |
| TOTAL | 37181.79 | 11734.88 |

NOTE NO. 9 - SHORT TERM PROVISIONS

| Particulars | Amount (In '000) | Amount (In '000) |
|--------------------------|-------------------------|-------------------------|
| | 31.03.2018 | 31.03.2017 |
| Provision for Income Tax | 7922.66 | 10491.68 |
| | | |
| TOTAL | 7922.66 | 10491.68 |

NOTE NO. 10 – FIXED ASSETS

| | Fixed Assets | Gross Block | | | | | Accumulated Depreciation | | | | | Net Block | |
|-----|---------------------------------|--------------------------|------------------------|--|-----------------------------|--------------------------|--------------------------|----------------------------------|--------------------------------|--------------|--------------------------|--------------------------|--------------------------|
| | | Balance as at 01/04/2017 | Additions/ (Disposals) | Acquired through business combinations | Revaluations/ (Impairments) | Balance as at 31/03/2018 | Balance as at 01/04/2017 | Depreciation charge for the year | Adjustment due to revaluations | On disposals | Balance as at 31/03/2018 | Balance as at 31/03/2018 | Balance as at 31/03/2017 |
| (a) | Tangible Assets | | | | | | | | | | | | |
| | Land/Shed | 1395.31 | 0.00 | 0.00 | 0.00 | 1395.31 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1395.31 | 1395.31 |
| | Buildings | 18129.72 | 69.19 | 0.00 | 0.00 | 18198.91 | 5241.47 | 1250.68 | 0.00 | 0.00 | 6492.15 | 11706.76 | 12888.25 |
| | Plant and Equipment | 53140.64 | 11173.94 | 0.00 | 0.00 | 64314.58 | 23901.39 | 5573.75 | 0.00 | 0.00 | 29475.14 | 34839.43 | 29239.24 |
| | Furniture and Fixtures | 662.10 | 41.9 | 0.00 | 0.00 | 704.00 | 613.90 | 34.62 | 0.00 | 0.00 | 648.52 | 55.48 | 48.20 |
| | Vehicles | 9118.35 | 1069.7 | 0.00 | 0.00 | 10188.05 | 4407.65 | 2254.02 | 0.00 | 0.00 | 6661.67 | 3526.38 | 4710.70 |
| | Office equipment | 4154.89 | 2257.64 | 0.00 | 0.00 | 6412.53 | 3149.18 | 1220.10 | 0.00 | 0.00 | 4369.28 | 2043.25 | 1005.71 |
| | Total | 86601.00 | 14612.37 | 0.00 | 0.00 | 101213.37 | 37313.59 | 10333.17 | 0.00 | 0.00 | 47646.76 | 53566.61 | 49287.41 |
| (b) | Intangible Assets | | | | | | | | | | | | |
| | Softwares | 8836.93 | 80.05 | 0.00 | 0.00 | 8916.98 | 6854.14 | 901.08 | 0.00 | 0.00 | 7755.22 | 1161.76 | 1982.79 |
| | Total | 8836.93 | 80.05 | 0.00 | 0.00 | 8916.98 | 6854.14 | 901.08 | 0.00 | 0.00 | 7755.22 | 1161.76 | 1982.79 |
| C | Capital Work in Progress | | | | | | | | | | | | |

| | | | | | | | | | | | | | |
|--|-------------------------------|----------|----------|------|------|-----------|----------|----------|------|------|----------|----------|----------|
| | | | | | | | | | | | | | |
| | Corporate Office New building | 1120.17 | 7201.33 | 0.00 | 0.00 | 8321.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8321.50 | 1120.17 |
| | | | | | | | | | | | | | |
| | Total | 1120.17 | 7201.33 | 0.00 | 0.00 | 8321.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8321.50 | 1120.17 |
| | | | | | | | | | | | | | |
| | Grand Total | 96558.10 | 21893.75 | 0.00 | 0.00 | 118451.85 | 44167.73 | 11234.25 | 0.00 | 0.00 | 55401.99 | 63049.86 | 52390.37 |

NOTE NO. 11 - NON CURRENT INVESTMENTS

| Particulars | Amount (In '000) | Amount (In '000) |
|--|------------------|------------------|
| | 31.03.2018 | 31.03.2017 |
| INVESTMENTS IN EQUITY SHARES | | |
| Investment in Equity Shares of NNCB Limited | 400.00 | 400.00 |
| Investment in Equity Shares of Aurobindo Pharma | 0.00 | 276.60 |
| Investment in Equity Shares of Divi's Lab | 0.00 | 586.19 |
| Investment in Equity Shares of Lupin Ltd. | 230.85 | 146.40 |
| Investment in Equity Shares of BEML Ltd. | 165.64 | 0.00 |
| Investment in Equity Shares of Bharat Forge Limited | 121.79 | 0.00 |
| Investment in Equity Shares of Reliance Capital Ltd. | 199.51 | 0.00 |
| TOTAL | 1117.79 | 1409.19 |

NOTE NO. 12 - LONG TERM LOANS AND ADVANCES

| Particulars | Amount (In '000) | Amount (In '000) |
|--|------------------|------------------|
| | 31.03.2018 | 31.03.2017 |
| SECURITY DEPOSIT | | |
| Security Deposit with BSNL | 0.70 | 0.70 |
| Rent Deposit | 600.00 | 600.00 |
| Sales Tax New Registration Deposit | 20.00 | 20.00 |
| Security Deposit with UGVCI | 1299.38 | 40.32 |
| Deposit with Vijay Gas & Domestic Appliances | 1.50 | 1.50 |
| Petrotech Caution Money | 0.00 | 25.00 |
| | | |
| TOTAL | 1921.58 | 687.52 |

NOTE NO. 13 - OTHER NON CURRENT ASSETS

| Particulars | Amount (In '000) | Amount (In '000) |
|--|------------------|------------------|
| | 31.03.2018 | 31.03.2017 |
| Miscellaneous Expenditure | | |
| <i>(To the extent not written off)</i> | | |
| IPO Expenses | 1382.68 | 2074.01 |
| Deferred Revenue Expenditures | 500.00 | 0.00 |
| TOTAL | 1882.68 | 2074.01 |

NOTE NO. 14 - CURRENT INVESTMENTS

| Particulars | Amount (In '000) | Amount (In '000) |
|---|------------------|------------------|
| | 31.03.2018 | 31.03.2017 |
| Fixed Deposits with Kotak Mahindra Bank Limited | 0.00 | 14406.50 |
| TOTAL | 0.00 | 14406.50 |

NOTE NO. 15 - INVENTORIES

| Particulars | Amount (In '000) | Amount (In '000) |
|----------------|------------------|------------------|
| | 31.03.2018 | 31.03.2017 |
| Raw Material | 42289.76 | 27546.65 |
| WIP | 70277.54 | 35104.04 |
| Finished Goods | 13168.10 | 0.00 |
| | | |
| TOTAL | 125735.40 | 62650.69 |

NOTE NO. 16 - TRADE RECEIVABLE

| Particulars | Amount (In '000) | Amount (In '000) |
|----------------------|------------------|------------------|
| | 31.03.2018 | 31.03.2017 |
| (Considered Goods) | | |
| Less than Six Months | 33661.75 | 27861.64 |
| More than Six Months | 358.36 | 324.10 |
| TOTAL | 34020.11 | 28185.74 |

NOTE NO. 17 - CASH AND CASH EQUIVALENTS

| Particulars | Amount (In '000) | Amount (In '000) |
|---------------------------------|------------------|------------------|
| | 31.03.2018 | 31.03.2017 |
| Balance with Scheduled Banks | 1322.74 | 18835.20 |
| Cash in Hand | 1617.67 | 175.36 |
| Demat A/c with Kotak Securities | 0.23 | 488.47 |
| | | |
| TOTAL | 2940.64 | 19499.03 |

NOTE NO. 18 - SHORT-TERM LOANS AND ADVANCES

| Particulars | Amount (In '000) | Amount (In '000) |
|--|------------------|------------------|
| | 31.03.2018 | 31.03.2017 |
| <i>(Unsecured and Considered Good)</i> | | |
| Advance Against Order | 5883.53 | 348.88 |
| Other Advances | 1005.69 | 66.43 |
| | | |
| TOTAL | 6889.22 | 415.31 |

NOTE NO. 19 - OTHER CURRENT ASSETS

| Particulars | Amount (In '000) | Amount (In '000) |
|-----------------|------------------|------------------|
| | 31.03.2018 | 31.03.2017 |
| Bank Guarantees | 4634.97 | 2177.41 |



| | | |
|--------------------------------------|-----------------|-----------------|
| CENVAT Credit Balance | 0.00 | 523.87 |
| CENVAT Credit Balance (Service Tax) | 0.00 | 984.82 |
| GST Receivable | 5321.31 | 0.00 |
| T.D.S Receivable | 127.06 | 210.61 |
| Capital Goods Cenvat | 0.00 | 17.71 |
| Advance Income Tax 2016-17 | 0.00 | 10500.00 |
| Advance Income Tax 2017-18 | 8000.00 | 0.00 |
| Staff Advance | 261.39 | 90.31 |
| Prepaid Expenses | 930.71 | 652.94 |
| Income Tax Refundable | 372.71 | 1149.29 |
| Kotak Mahindra Bank Dividend Account | 41.75 | 41.81 |
| | | |
| TOTAL | 19689.89 | 16348.77 |

NOTE NO. 20 - REVENUE FROM OPERATIONS

| Particulars | Amount (In '000) | Amount (In '000) |
|--------------------|------------------|------------------|
| | 31.03.2018 | 31.03.2017 |
| Sales | 213335.11 | 216786.41 |
| Less : Excise Duty | 0.00 | 25602.81 |
| Net Sales | 213335.11 | 191183.60 |
| Labour Work | 0.00 | 1857.86 |
| | | |
| TOTAL | 213335.11 | 193041.46 |

NOTE NO. 21 - OTHER INCOME

| Particulars | Amount (In '000) | Amount (In '000) |
|--------------------------------|------------------|------------------|
| | 31.03.2018 | 31.03.2017 |
| Interest Income | 877.14 | 1251.40 |
| Dividend Income | 41.75 | 40.10 |
| Discount Received | 287.73 | 8.00 |
| Interest Subsidy on SIDBI Loan | 0.00 | 488.34 |
| Net Gain from Share Trading | 110.53 | 10.51 |
| CBSE - ICE Gate Subsidy Export | 774.41 | 0.00 |
| TOTAL | 2091.56 | 1798.35 |

NOTE NO. 22 - COST OF RAW MATERIAL CONSUMED

| Particulars | Amount (In '000) | Amount (In '000) |
|-------------------------------|------------------|------------------|
| | 31.03.2018 | 31.03.2017 |
| Opening stock of Raw Material | 27546.65 | 19546.65 |
| | | |



| | | |
|--------------------------------------|------------------|-----------------|
| Add : Purchases During the Year | 173136.40 | 102382.72 |
| | | |
| Less : Closing Stock of Raw Material | 42289.76 | 27546.65 |
| | | |
| TOTAL | 158393.28 | 94382.72 |

NOTE NO. 23 - CHANGES IN INVENTORY OF FINISHED GOODS WORK IN PROGRESS & STOCK IN TRADE

| Particulars | Amount (In '000) | Amount (In '000) |
|--|------------------|------------------|
| | 31.03.2018 | 31.03.2017 |
| Inventories at the beginning of the Year | | |
| - Work In Progress | 35104.04 | 27423.31 |
| - Finished Goods | 0.00 | 14590.98 |
| - Stock in Trade | 0.00 | 0.00 |
| | | |
| Inventories at the end of the Year | | |
| - Work In Progress | 70277.54 | 35104.04 |
| - Finished Goods | 13168.10 | 0.00 |
| - Stock in Trade | 0.00 | 0.00 |
| | | |
| Net Change in the Inventory of Finished Goods Work in Progress & Stock in Trade | -48341.60 | 6910.25 |

NOTE NO. 24 - EMPLOYEE BENEFIT EXPENSES

| Particulars | Amount (In '000) | Amount (In '000) |
|------------------------|------------------|------------------|
| | 31.03.2018 | 31.03.2017 |
| Bonus | 1591.81 | 1342.09 |
| Staff Welfare Expenses | 1665.13 | 968.14 |
| Salary to Staff | 21557.04 | 12662.71 |
| Directors Remuneration | 7200.00 | 7200.00 |
| Provident Fund Exp. | 1033.82 | 655.09 |
| TOTAL | 33047.81 | 22828.03 |

NOTE NO. 25 - FINANCE COST

| Particulars | Amount (In '000) | Amount (In '000) |
|-----------------------|------------------|------------------|
| | 31.03.2018 | 31.03.2017 |
| Bank Charges | 615.08 | 557.59 |
| Demat A/c Charges | 5.23 | 5.76 |
| Interest expenses | 2270.93 | 2384.12 |
| Other borrowing costs | 549.87 | 103.50 |
| | | |



| | | |
|--------------|----------------|----------------|
| TOTAL | 3441.11 | 3050.97 |
|--------------|----------------|----------------|

NOTE NO. – 26 - DEPRECIATION & AMORTISATION EXPENSES

| Particulars | Amount (In '000) | Amount (In '000) |
|--------------------|-------------------------|-------------------------|
| | 31.03.2018 | 31.03.2017 |
| Depreciation | 11234.26 | 9766.25 |
| | | |
| TOTAL | 11234.26 | 9766.25 |

NOTE NO. 27 - OTHER EXPENSES

| Particulars | Amount (In '000) | Amount (In '000) |
|---|-------------------------|-------------------------|
| | 31.03.2018 | 31.03.2017 |
| DIRECT EXPENSES | | |
| Power & fuel | 1605.06 | 1851.86 |
| Testing & Inspection | 4532.07 | 2923.44 |
| Labour charges | 29.68 | 1082.86 |
| Transportation Expenses | 4193.22 | 4029.08 |
| Import Material Clearing Charges | 1621.92 | 918.76 |
| Engineering Design & Consultancy Expenses | 1495.50 | 813.42 |
| Factory Shed Repairing Exp. | 282.73 | 374.68 |
| Factory Rent | 1440.00 | 2400.00 |
| Repair of Plant & Machinery | 360.61 | 1111.91 |
| Other Direct Exp. | 4448.88 | 2562.24 |
| | | |
| Total (A) | 20009.69 | 18068.25 |
| | | |
| INDIRECT EXPENSES | | |
| | | |
| Audit Fees | 25.00 | 25.00 |
| Advertisement Exp. | 851.72 | 342.50 |
| AMC Charges | 211.44 | 204.78 |
| Commission Exp. | 528.90 | 484.48 |
| Forex Gain/Loss | 153.98 | 0.00 |
| Petrol Exp. | 258.28 | 249.14 |
| Repairs & Maintenance | 425.37 | 93.06 |
| Insurance | 231.02 | 154.97 |
| Professional & Legal Fees | 1000.62 | 802.58 |
| Rates & Taxes | 125.00 | 0.00 |
| Kasar Exp. | 0.00 | 66.76 |
| Rent | 1800.00 | 1800.00 |
| Travelling & Conveyance Expenses | 1109.50 | 891.97 |
| Foreign Travelling Exp. | 556.25 | 0.00 |
| Office Miscellaneous Expenses | 661.28 | 405.82 |



| | | |
|--------------------------------|-----------------|-----------------|
| IPO Expenses | 691.34 | 691.34 |
| Donation | 25.00 | 5.00 |
| Diwali Exp. | 42.59 | 44.02 |
| Packing And Forwarding Charges | 2.10 | 11.12 |
| Postage & Courier | 84.45 | 48.58 |
| Telephone Exps. | 252.80 | 190.64 |
| Stationery / Xerox Exps. | 420.57 | 318.81 |
| Website Exp. | 20.00 | 44.29 |
| Security Exp. | 285.55 | 244.70 |
| Other Exp. | 135.14 | 113.95 |
| ZAK Panchayat Tax | 4.94 | 57.91 |
| Total (B) | 9902.83 | 7291.42 |
| | | |
| TOTAL (A+B) | 29912.52 | 25359.67 |

NOTE NO. 28

1. COMPANY OVERVIEW

Loyal Equipments Limited ('the Company') was incorporated on April 20, 2007 and is engaged in the business of manufacturing of Equipments.

2. SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF ACCOUNTING:

1. These financial statements have been prepared on accrual basis under the historical cost convention in accordance with the generally accepted accounting principles in India and comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of Companies Act, 1956 (Companies (Accounting standards) Rules 2006, as amended) and other relevant provisions of the Companies Act, 2013.
2. All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Act. The Company has ascertained its operating cycle to be 12 months for the purpose of current and non-current classification of assets and liabilities.

B. USE OF ESTIMATES:

The preparation of the financial statements in conformity with generally accepted accounting principles, Accounting Standards notified under Section 133 of the Companies Act, 2013 and the relevant provisions thereof requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of liabilities as at the date of financial statements and reported amounts of income and expenditure during the period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

C. DEPRECIATION:

The Company has applied the estimated useful lives as specified in Schedule II and depreciation has been charged in the books of accounts as per “WDV Method” specified under Companies Act, 2013. Accordingly, the unamortized carrying value is being depreciated over the remaining useful lives.

D. INVESTMENTS:

Current investments are stated at lower of cost and fair value. Non-Current investments are stated at cost after deducting provisions made, if any, for diminution in the value which is other than temporary.

E. BORROWING COST AND FINANCE CHARGES:

Interest and other borrowing costs attributable to qualifying assets have been capitalized. Other interest and borrowing costs are charged to the revenue.

Other Finance cost incurred for raising long term borrowing is amortized over the tenure of the borrowing.

F. INVENTORIES:

Inventories are valued at Cost or Market Value whichever is less as certified by the management. Cost of inventories is computed on a First-in-First-Out basis.

G. REVENUE RECOGNITION:

Revenue from sales is recognised when significant risks and rewards of ownership have been transferred to the buyer which is normally on delivery of goods and is net of sales tax/ value added tax.

H. TAXATION:

Tax expense comprises of current tax, tax related to previous year & deferred tax of Rs. 3,13,780/- and same have been identified as Deferred Tax Assets.

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.

The deferred tax for timing differences between the book income and tax income for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the Balance Sheet date. Deferred tax assets arising from timing differences are recognised to the extent there is reasonable certainty that these would be realized in future.

Deferred tax assets where there are unabsorbed losses and unabsorbed depreciation, are recognised only if there is virtual certainty that such deferred tax assets will be realized against future taxable income.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

I. PROVISIONS, CONTINGENT LIABILITIES AND ASSETS:

Provisions are recognised when the Company has a present obligation as a result of past events and it is more likely that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not discounted to present value and are determined based on best estimate of the expenditure required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Contingent Liabilities are disclosed by way of notes to the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

J. IMPAIRMENT OF ASSETS:

The carrying amounts of the assets are reviewed at each balance sheet date if there is any indication of impairment based on the internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. An impairment loss recognised in the prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

3. Repayment Terms, Interest & Security offered against Long Term & Short Term Borrowings

Loans from Financial Institutions:

During the financial year 2017-18 the following loan was outstanding from Financial Institutions: -

(₹ in Lacs)

| Name of Financial Institutions/Body Corporate | Securities offered | 31 March 2018 | 31 March 2017 | Interest rate as on 31 st March 2018 | Repayment terms |
|---|---|---------------|---------------|---|---|
| Kotak Mahindra Bank - Cash Credit- Working Capital Facility | By way of Hypothecation of Factory Shed & Land | 112.42 | 266.53 | 8.65% | Tenure - 12 Months, Subject to renewal on 15/03/2019; Modified for adding Collateral Security for Charge Creating |
| SIDBI | By way of Hypothecation of Factory Shed, Land and Plant & Machinery | 50.50 | 92.50 | 12.00% | Loan taken for Fintube Machine; 60 Installments consists of first 30 monthly installment of Rs. 3 Lacs each, next 20 months of Rs.3.5 Lacs and last 10 months by repayment schedule |
| HDFC Bank Limited – Vehicle Loan | By way of Hypothecation of Vehicle | 12.00 | 0.00 | 9.00% | 60 Monthly Installments of Rs. 24911 started from May, 2018 |
| ICICI Bank Limited – Machinery Loan | By way of Hypothecation of Machinery | 23.36 | 0.00 | 9.24% | 48 Monthly Installments of Rs. 58410 started from |



| | | | | | |
|-------------------------------------|--|-------|-------|-------|---|
| | | | | | April, 2018 |
| ICICI Bank Limited- Vehicle Loan | By way of Hypothecation of Vechile | 36.89 | 45.20 | 9.25% | 60 Installments of Rs. 101145 started from November, 2016 |

4. Non-Current Investments:**Investment in Equity Shares:**

(a) Company has Investment in Equity Shares of following Companies as on 31st March, 2018 :-

| | | |
|-----------------------------------|----|-------------|
| • Naroda Nagrik Co-operative Bank | :- | 4,00,000.00 |
| • Lupin Limited | :- | 2,30,845.00 |
| • BEML Limited | :- | 1,65,642.00 |
| • Bharat Forge Limited | :- | 1,21,793.00 |
| • Reliance Capital Limited | :- | 1,99,508.00 |

5. Earnings per Share (EPS):

| | 31 March 18 | 31 March 17 |
|--|--------------------|--------------------|
| Profit after Tax (Rs. in Thousands) | 19909.01 | 21834.83 |
| Number of Equity Shares outstanding | 1,02,00,000 | 68,00,000 |
| Weighted average number of Equity Shares outstanding | 85,00,000 | 68,00,000 |
| Earnings Per Share (Rs.) – Basic and Diluted (Face Value of ₹ 10/- per share) | 2.34 | 3.21 |

6. Related Party Disclosures:

The Management has identified the following companies and individuals as Related Parties of the Company for the year ended March 31, 2018 for the purpose of reporting of Related Party disclosure as required in terms of Accounting Standard-18 issued by the Institute of Chartered Accountants of India:

A) List of Related Parties:

| Name of Related Party | Nature of Relationship |
|---------------------------------|-------------------------------------|
| Loyal Engineers | Proprietorship of Director/Promoter |
| Alkesh Rameshchandra Patel | Director/ Promoter |
| Rameshchandra Nathlal Patel | Director/ Promoter |
| Jyotsanaben Rameshchandra Patel | Director/ Promoter |

B) Transactions with related parties:

| Transactions | (Rs. in Lacs) |
|------------------------|----------------------|
| Rent (Loyal Engineers) | 18.00 |
| Directors Remuneration | 72.00 |

Rent to Jyotsanaben R Patel

24.00

The Company confirms that none of the transactions, if any, with the related parties was in material conflict with the interest of the Company.

7. Contingent Liabilities not provided for:

In respect of Bank Guarantees 46.34 Lacs (Previous year: 21.77 Lacs).

8. Segment Reporting:

The Company is primarily engaged in the equipments Manufacturing, which in the context of Accounting Standard 17 on “Segment Reporting” constitutes a single reporting segment. Further, there are no geographical segments.

9. Auditor’s remuneration:

During the year under consideration no provision has made for auditor’s remuneration same will be provided in next year.

| | 31 March 18 | (Rs. in Lacs) 31 March 17 |
|------------|--------------------|--------------------------------------|
| Audit Fees | 0.25 | 0.25 |

10. In the opinion of the Board of Directors, the current assets, loans and advances would realize not less than the value stated if realized in the ordinary course of business. The provision for all known liabilities is adequate and reasonably estimated.

11. The Company has not received any memorandum (as required to be filled by the suppliers with the notified authority under Micro, Small and Medium Enterprise Development Act, 2006) claiming their status during the year as micro, small or medium enterprises. Consequently, there are no amounts paid/ payable to such parties during the year.

12. Previous year figures have been regrouped /rearranged wherever necessary to correspond with the current year’s classifications/disclosure.

For and On behalf of the Board of Loyal Equipments Limited

**As per Our Separate Report of
Even Date**

Sd/-

Sd/-

Rameshchandra N Patel
Director
DIN – 01307699

Alkesh R Patel
Managing Director
DIN – 02672297

For JM Patel & Bros
Chartered Accountant
F.R.No. 107707W

Sd/-

Sd/-

Amit Patel
Chief Financial Officer

Komal M. Motiani
Company Secretary

Sd/-
CA. J.M. Patel
PROPRIETOR
M. No. 30161

Place : Dahegam
Date : 29/05/2018

CEO AND CFO CERTIFICATION

To,

**The Board of Directors
Loyal Equipments Limited**

We, Managing Director and Chief Financial Officer of Loyal Equipments Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the Balance Sheet, Statement of Profit and Loss and Cash Flow of the Company and all the notes on accounts and the Board's report.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statement made, in light of the circumstances under which such statement was made, not misleading with respect to the period covered by this report.
3. The financial statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report, and with the existing accounting standards and/or applicable laws and regulations.
4. There are no transactions entered into by the company during the year that are fraudulent, illegal or violate the Company's Code of Conduct and Ethics, except as disclosed to the Company's audit committee of Board of Director's.
5. We are responsible for establishing and maintaining disclosure controls over financial reporting for the Company, and we have:
 - a. Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company is made known to us by others within those entities, particularly during the period in which this report is being prepared.
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles (GAAP) in India.
 - c. Evaluated the effectiveness of the Company's disclosure, controls and procedures.
 - d. Disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected or is reasonably likely to materially affect, the Company's internal control over financial reporting.
6. We have displayed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the audit committee of the Company's Board (and persons performing the equivalent functions):
 - a. Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.

- b. Any significant changes in internal controls during the year covered by this report.
 - c. All significant changes in internal controls during the year covered by this report.
 - d. Any Instances of significant fraud of which we are aware, that involve the management or other employees who have a significant role in the Company's internal control system
7. We affirm that we have not denied any personnel access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistle-blowers from unfair termination and other unfair or prejudicial employment practices.
8. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

Sd/-

Alkesh Rameshchandra Patel
Managing Director
DIN - 02672297

Sd/-

Amitkumar Chandubhai Patel
Chief Financial Officer

Place : Dahegam, Gandhinagar
Date : May 29, 2018

**LOYAL equipments limited****(CIN: L29190GJ2007PLC050607)****Regd. Office:** Block No.35/1-2-3-4, Village – Zak, Dahegam, Gandhinagar-382330, Gujarat, India**Tel No.:** +91-2718-247236, **Fax No.:** +91-2718-269033**E-mail :** cs@loyalequipments.com, **Website:** www.loyalequipments.com**PROXY FORM (Form No. MGT-11)**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

| | |
|-------------------------|----------------------------|
| Name of the Member(s) : | Folio No/ DP ID-Client ID: |
| Registered Address : | |
| No. of Shares held: | E-mail Id: |

I/We, being the member(s) of _____ shares of the above named company hereby appoint:

| | | | |
|--------------------|------------|-----------|--|
| 1. | Name: | Signature | |
| | Address: | | |
| | E-mail ID: | | |
| or failing him/her | | | |
| 2. | Name: | Signature | |
| | Address: | | |
| | E-mail ID: | | |
| or failing him/her | | | |
| 3. | Name: | Signature | |
| | Address: | | |
| | E-mail ID: | | |

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 11th Annual General Meeting of the company, to be held on the Friday, July 27, 2018, at 11.00 AM at Block No. 35/1-2-3-4 Village – Zak, Dahegam, Gandhinagar - 382330 Gujarat, India and/or at any adjournment thereof in respect of such resolutions as are indicated below:

| Sl. No. | Particulars | Vote | |
|--------------------------|---|------|---------|
| | | For | Against |
| Ordinary Business | | | |
| 1 | To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2018, together with the Reports of the Board of Directors and the Auditors thereon; and | | |
| 2 | To appoint a Director in place of Mr. Rameshchandra Nathalal Patel (DIN: 01307699) who retires by rotation and, being eligible, offers himself for re-appointment | | |
| 3 | To appoint the auditors of the company and to fix their remuneration | | |

Signed this _____ day of _____ 2018



Signature of Shareholder _____ Signature of Proxy holder(s) _____

Affix
Revenue
Stamp
here

----- Cut Here -----

| EVEN (E-Voting Sequence Number) | USER ID | PASSWORD / PIN |
|--|----------------|-----------------------|
| | | |

Notes:

1. A Proxy need not be a member of the Company.
2. This form of Proxy must be deposited at the Registered Office of the Company at Block No. 35/1-2-3-4 Village – Zak, Dahegam, Gandhinagar - 382330 Gujarat, India, not less than 48 hours before the commencement of the Meeting.
3. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

**LOYAL equipments limited**

(CIN: L29190GJ2007PLC050607)

Regd. Office: Block No.35/1-2-3-4, Village – Zak, Dahegam, Gandhinagar-382330, Gujarat, India**Tel No.:** +91-2718-247236, **Fax No.:** +91-2718-269033**E-mail :** cs@loyalequipments.com, **Website:** www.loyalequipments.com**ATTENDANCE SLIP****11TH ANNUAL GENERAL MEETING TO BE HELD ON FRIDAY, JULY 27, 2018 AT 11:00 A.M. AT BLOCK NO.35/1-2-3-4, VILLAGE – ZAK, DAHEGAM, GANDHINAGAR-382330, GUJARAT, INDIA.**

| | |
|---|--|
| NAME OF THE ATTENDING MEMBER (IN BLOCK LETTERS) | |
| *Folio No. | |
| DP ID No. | |
| Client ID No. | |
| No. of Shares held | |
| NAME OF PROXY (IN BLOCK LETTERS) to be filled in, if the proxy attends instead of the member | |

I/We, hereby record my/our presence at the 11th Annual General Meeting of the Company held on Friday, July 27, 2018 at 11:00 A.M. at **Block No.35/1-2-3-4, Village – Zak, Dahegam, Gandhinagar-382330, Gujarat, India.**

*Applicable in case of shares held in Physical form.

Signature of Member / Proxy

Note:

1. Only Members/Proxy holders can attend the Meeting
2. Members are requested to bring their copies of the Annual report for reference at the meeting
3. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.

ROUTE MAP

Route Map to the AGM Venue

Venue: Loyal Equipments Limited, Block No. 35/1-2-3-4, Village Zak, Ta: Dahegam, Gandhinagar – 382 330, Gujarat, India



