

RS/LLOYDSENGG/BSEL-NSEL/2024/475

Date: 10th October 2024

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| The Department of Corporate Services, BSE Limited 27th Floor, P.J. Towers, Dalal Street, Mumbai - 400 001 | The National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 |
| Scrip Code: 539992 | Symbol: LLOYDSENGG |

Dear Sir/Madam,

Sub.: Update on Memorandum of Understanding (“MOU”) for acquisition of Engineering Division of Bhilai Engineering Corporation Limited (“BEC”)

With reference to the captioned subject, please find enclosed herewith the update on Memorandum of Understanding (hereinafter referred as “MOU”) for acquisition of Engineering Division of Bhilai Engineering Corporation Limited (“BEC”).

Kindly take the same on your records.

Thanking You,
Yours faithfully,

For Lloyds Engineering Works Limited
(formerly known as Lloyds Steels Industries Limited)

Rahima Shaikh
Company Secretary and Compliance Officer
ACS: 63449

Mumbai, 10th October 2024

Lloyds Engineering Works Limited to Acquire

Bhilai Engineering Corporation Ltd.'s Engineering Division

Lloyds Engineering Works Limited (LEWL) is pleased to announce the signing of a Memorandum of Understanding (MOU) to acquire the Engineering Division of Bhilai Engineering Corporation Ltd (BECL), a key player in providing engineering solutions across various industries.

- **BECL Engineering Division Overview:**
 - Founded in 1960 with a strong presence across diverse sectors.
 - State-of-the-art integrated manufacturing facility in Bhilai, Chhattisgarh.
 - **Specializes in metallurgy, mining, railways, space, nuclear, and defence industries.**
 - Hi-tech machine tools for heavy and precision machining.
 - Capable of working with exotic materials such as stainless steel, aluminium, manganese, alloy steels, and carbon steel.
 - Operations span across a significant area (Approx. 30,566 square meters).
 - Ready Availability of Skilled workforce in the neighbourhood to drive future growth.
 - Location advantages as it is close to center of the country and close to several steel industries thus giving us cost advantages and benefits from logistics point of view and in direct reach of all our customers.
- **Synergies with LEWL:**
 - Complementary to LEWL's existing product lines, enhancing production capabilities.
 - Integration will increase the total LEWL cumulative production area of factory floor space and production space by 2.4x.
 - Lease land of Approx. 16 Acres, which implies massive scope of expanding operations capacities.
 - Immediate value addition with assets capable of producing high-class engineering products.
- **Financial Overview:**
 - **The estimated payback of this acquisition is three to four years.**

- **Acquisition pertains to acquiring only the division's assets with no liabilities being taken over.**
- **Acquisition to be funded without resorting to debt.**

Mr. Shreekrishna Gupta, Executive Director of Lloyds Engineering Works Ltd, shared his excitement, saying:

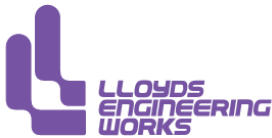
" We are delighted to integrate the BECL engineering division into Lloyds Engineering. This acquisition is a strategic move that will not only boost our production capabilities but also exponentially multiply the area under our operations at an attractive cost. We have been exploring several opportunities of expansion and takeovers and this meets a lot of our criteria with a large existing floor area and open areas to carry out oversized projects. The synergies between BECL's engineering division and our existing business are clear, and this integration will propel us towards a definitive and accelerated path of growth. Lloyds is continuously innovating and expanding, and this acquisition marks another step forward in our remarkable journey."

This acquisition will solidify Lloyds Engineering's position as one of the leading players in the engineering sector, marking a new phase of growth and development.

About Lloyds Engineering Works Limited (LEWL):

Lloyd Engineering Works Ltd, incorporated in 1994, is a complete customised Process plant equipment-providing company in India. It provides a complete engineering and infrastructure solutions package by designing engineering, manufacturing, fabrication and installation. Its products cover various categories in Heavy Equipment, Machinery and Systems for the carbon Sector, Oil & Gas, Steel Plants, Power Plants, Nuclear Plant Boilers and Turnkey Projects. Various authorities like the Industrial Boiler Regulatory Authority, SGS UK, Petroleum and Explosives Safety Organisation, etc. have approved its facilities. The company's state-of-the-art manufacturing facilities are located in Murbad, Thane and headquartered in Mumbai.

For more information, please contact:



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