

Under the Management of Special Committee
Appointed by Hon'ble High Court at Bombay

**24th
Annual Report
2010 - 2011**

LLOYDS FINANCE LIMITED

Board of Directors

Basant B. Bhoruka	<i>Chairman</i>
P. C. Soni	<i>Director</i>
Pankaj R. Desai	<i>Managing Director</i>

Mrs. Rinku Gadani
Company Secretary

Statutory Auditors
Vijay H. Shah & Co.
Chartered Accountants
Mumbai.

Regd. Office :
2nd Floor, Viraj Impex House,
47, P. D' Mello Road,
Masjid (East),
Mumbai 400 009.

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NOTICE

NOTICE is hereby given that, with the necessary approval of the Special Committee appointed by the Hon'ble High Court of Bombay vide order dated 12th March, 2004, 24th Annual General Meeting of the Members of **LLOYDS FINANCE LIMITED** will be held on Friday, the **27th day of May, 2011 at 10.30 a.m.** at SEMINAR - II Room, 31st floor, World Trade Centre, Centre 1, Cuffe Parade, Mumbai - 400 005 to transact the following business.

ORDINARY BUSINESS :-

1. To receive and adopt the audited Profit and Loss Account of the Company for the year ended 31st March, 2011 and the Balance Sheet as at that date together with Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Shri P. C. Soni, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS :-

**RE-APPOINTMENT OF SHRI PANKAJ R. DESAI AS
MANAGING DIRECTOR OF THE COMPANY :**

4. To consider and, if thought fit, to pass, with or without modifications, the following resolution as a **SPECIAL RESOLUTION** :

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 and subject to Central Government and such other approval as may be necessary, Shri Pankaj R. Desai be and is hereby re-appointed as Managing Director of the Company, for a period of 5 years with effect from **1st November, 2011** and he be paid remuneration in accordance with the conditions specified in Schedule XIII of the Companies Act, 1956 as under with effect from the aforesaid date:

- A. Basic Salary of Rs.18,00,000/- (Rupees Eighteen Lacs Only) per annum with the authority to the Board to grant additional increments from time to time as they deem fit and proper so however that the total basic salary does not exceed the sum of Rs.24,00,000/- (Rupees Twenty Four Lacs Only) per annum.

- B. House Rent Allowance of Rs.1,80,000/- (Rupees One Lac Eighty Thousand Only) per annum with the authority to the Board to raise the allowance from time to time as they deem fit and proper so however that the total House Rent Allowance does not exceed the sum of Rs.6,00,000/- (Rupees Six Lacs Only) per annum.

- C. Perquisites with authority to the Board to revise the ceiling on perquisites keeping in view the future increments :-

(i) Medical : Expenses incurred for the Managing Director and his family subject to such ceiling per annum as may be fixed by the Board from time to time.

(ii) Leave Travel : For the Managing Director and his family, once in a year incurred in accordance with any rules specified by the Company and as may be modified by the Board from time to time.

Explanation : For the purpose Clause (i) & (ii), "family" means the spouse and the dependent children of the Managing Director.

- D. Contribution to Provident Fund, Superannuation Fund or Annuity Fund will be made to the extent these either singly or put together are not taxable under the Income Tax Rules.
- E. Gratuity Payable shall not exceed half a month's salary for each completed year of service.
- F. Leave: One month's leave with full salary for every 11 months of service. Encashment of Leave at the end of the tenure will not be included in the computation of perquisites.
- G. Provision of Car. The ceiling of amount as may be fixed by Board of Directors. Provision of car for use on Company's business will not be considered as perquisites.
- H. Reimbursement of travelling, entertainment, books and periodicals, attire allowance, hotel and any other expenses actually and properly incurred for the business of the Company subject, however, to a reasonable ceiling as may be fixed by the Board of Directors not exceeding Rs.12,00,000/- (Rupees Twelve Lacs Only) per annum.

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RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to revise the remuneration payable to him as Managing Director, from time to time subject to the ceiling laid down in Section 198, 309 and Schedule XIII of the Companies Act, 1956, without further approval of the members of the Company, but with such other approvals, sanctions, or permissions, if any, required for such revision in the remuneration.

RESOLVED FURTHER THAT notwithstanding anything contained hereinabove, where in any financial year, during the currency of the tenure of the Director, the Company has no profits or its profits are inadequate, the Company shall pay to Shri Pankaj R. Desai, minimum remuneration by way of salary, perquisites and other allowances as above subject to the ceiling laid down under Part II of Schedule XIII to the Companies Act, 1956 and such other amendments to the Act from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to vary or increase the remuneration, including salary, commission, perquisites, allowances etc, within the prescribed limit or ceiling and to give effect to such modification, relaxation or variation without further reference to the Company in general meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary, to give effect to this resolution."

NOTES:-

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. The Register of Members and Share Transfer Books of the Company will remain closed **from Friday, the 20th day of May, 2011 to Friday, the 27th day of May, 2011** (both days inclusive) in terms of Section 154 of the Companies Act, 1956.
3. Members are requested to please intimate the changes, if any, in their registered address to the

Company's Registrar & Share Transfer Agent at the following address :-

Bigshare Services Private Limited,
E-2/3, Ansa Industrial Estate,
Saki-Vihar Road, Saki Naka,
Andheri (East), Mumbai-400 072.
Tel : 40430200 / 299
Fax : 2847 5207
E-mail: info@bigshareonline.com

4. Members are requested to quote the Folio Number and DP ID / Client ID, in case shares are in physical / dematerialized form, as the case may be, in all their correspondence with the Company / Registrar and Share Transfer Agent.
5. Members who have multiple accounts in the identical names or joint accounts in the same order are requested to send all the Share Certificate(s) to the Registrar & Share Transfer Agents, M/s Bigshare Services Pvt. Ltd. for consolidation of all such shareholdings into one account to facilitate better services.
6. Members are requested to bring their copy of Annual Report at the time of attending the meeting.
7. In case you intend to raise any queries in the forthcoming Annual General Meeting, you are requested to forward the same in writing at least 7 days before the date of the meeting to Mr. Pankaj R. Desai, Managing Director at the Registered Office of the Company, so that the same may be attended appropriately to your satisfaction.

**By Order of the Board &
with permission of The Special Committee,**

For LLOYDS FINANCE LIMITED,

**Rinku Gadani
Company Secretary**

Regd. Office:-

Viraj Impex House, 2nd Floor,
47, P. D'Mello Road,
Mumbai - 400 009.

Date: 12th April, 2011

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**EXPLANATORY STATEMENT PURSUANT TO
SECTION 173(2) of THE COMPANIES ACT,
1956 :**

Item No. 4 :

The Company is functioning under the Special Committee appointed by the Hon'ble High Court vide its order dated 12th March, 2004 in Company Application No.231/2004 in Company Petition No. 1017 of 2002. As per the directions of the Hon'ble High Court at Bombay vide its Order dated 12th April, 2004 the Directors and Company Secretary are functioning under the superintendence of the Special Committee.

Shri Pankaj R. Desai, was re-appointed as the Managing Director of the Company w.e.f. 1st November, 2006 for a period of five years. His term of office is due to expire on 31st October, 2011.

During the term of Shri Pankaj R. Desai as Managing Director, the Company has been able to negotiate the most difficult time with remarkable results. Shri Pankaj R. Desai has put in whole hearted efforts for aiding the recovery of dues from defaulters of the Company. His overall management skills have aided the Company in settling the dues with Banks and Financial Institutions, fixed deposit holders, non-convertible debenture holders and maintaining cordial relations with all concerned. Since Shri Pankaj R. Desai is well versed with the nitty-gritty of the functioning of the Company, no useful purpose will be served by appointing any other person as Managing Director. In view of his overall efforts, it is felt that the continuity of services of Shri Pankaj R. Desai will help and support the Special Committee to continue the smooth functioning of the Company. The Board of Directors have given their views for re-appointment of Shri Pankaj R. Desai as Managing Director for further period of 5 (five) years w.e.f. 1st November, 2011 and forwarded the same to the Special Committee for approval.

Further, the Board has also considered the fact that Shri Pankaj R. Desai is continuing to draw the same remuneration which he was drawing at the time of his appointment in the year 2000. During the intervening period there have been substantial changes in cost of living and there have been sea changes in the Corporate world remunerations payable to top level executives. Hence, the Board thought it fit and proper to recommend the remuneration as mentioned below.

The terms and conditions of his re-appointment as Managing Director are as follows:-

- A. Basic Salary of Rs.18,00,000/- (Rupees Eighteen Lacs Only) per annum with the authority to the Board to grant additional increments from time to time as they deem fit and proper so however that the total

basic salary does not exceed the sum of Rs.24,00,000/- (Rupees Twenty Four Lacs Only) per annum.

- B. House Rent Allowance of Rs.1,80,000/- (Rupees One Lac Eighty Thousand Only) per annum with the authority to the Board to raise the allowance from time to time as they deem fit and proper so however that the total H.R.A. does not exceed the sum of Rs.6,00,000/- (Rupees Six Lacs Only) per annum.

- C. Perquisites with authority to the Board to revise the ceiling on perquisites keeping in view the future increments :-

(i) Medical : Expenses incurred for the Managing Director and his family subject to such ceiling per annum as may be fixed by the Board from time to time.

(ii) Leave Travel : For the Managing Director and his family, once in a year incurred in accordance with any rules specified by the Company and as may be modified by the Board from time to time.

Explanation : For the purpose Clause (i) & (ii), "family" means the spouse and the dependent children of the Managing Director

- D. Contribution to Provident Fund, Superannuation Fund or Annuity Fund will be made to the extent these either singly or put together are not taxable under the Income Tax Rules.
- E. Gratuity Payable shall not exceed half a month's salary for each completed year of service.
- F. Leave : One month's leave with full salary for every 11 months of service. Encashment of Leave at the end of the tenure will not be included in the computation of perquisites.
- G. Provision of Car. The ceiling of amount as may be fixed by Board of Directors. Provision of car for use on Company's business will not be considered as perquisites.
- H. Reimbursement of travelling, entertainment, books and periodicals, attire allowance, hotel and any other expenses actually and properly incurred for the business of the Company subject, however, to a reasonable ceiling as may be fixed by the Board of Directors not exceeding Rs.12,00,000/- (Rupees Twelve Lacs Only) per annum.

If in any financial year, during the currency of the tenure of Shri Pankaj R. Desai, the Company has no profits or its profits are inadequate, the Company shall pay to Shri Pankaj R. Desai, minimum remuneration by way of

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salary, perquisites and other allowances as above subject to the ceiling laid down under Part II of Schedule XIII to the Companies Act, 1956 and such other amendments to the Act from time to time.

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per the Income Tax Rules wherever applicable. In the absence of any such rules, perquisites shall be evaluated at actual cost.

The terms and conditions of appointment of Shri Pankaj R. Desai may be altered and varied from time to time during his tenure of appointment in such manner as may be agreed to between the Board of Directors and Shri Pankaj R. Desai subject to the approval of the Special Committee appointed by the Hon'ble High Court, Bombay, in accordance with the limits specified in Schedule XIII to the Companies Act, 1956 or any amendment thereto.

Pursuant to Part II of Schedule XIII, of the Companies Act, 1956, the Central Government approval is required for the re-appointment of Shri Pankaj R. Desai as Managing Director. However the Company is working under the Special Committee appointed by the Hon'ble High Court. As per the directions of the Hon'ble High Court at Bombay vide its Order dated 12/4/2004 the Directors and Company Secretary are functioning under the superintendence of the Special Committee. The Special Committee has directed to continue the Board. The Board of Directors have given their views for re-appointment of Shri Pankaj R. Desai as Managing Director for further period of 5 (five) years w.e.f. 1st November, 2011 and forwarded the same to the Special Committee for approval.

The draft of agreement between the Company and Shri Pankaj R. Desai is open for inspection at the registered office of the Company between 11.00 a.m. to 1.00 p.m. on any working day of the Company from Monday to Friday except holidays.

The above may also be treated as an abstract under Section 302 of the Companies Act, 1956.

In compliance with the provisions of Section 269, 198, 309 read with Schedule XIII of the Companies Act, 1956, the Board recommends the above resolution for your approval.

Shri Pankaj R. Desai is concerned or interested in the Resolution since it relates to his re-appointment and payment of remuneration. None of the other Directors is in any way concerned or interested in the said resolution.

**By Order of the Board &
with permission of The Special Committee,**

For LLOYDS FINANCE LIMITED,

**Rinku Gadani
Company Secretary**

Regd. Office :-

Viraj Impex House, 2nd Floor,
47, P. D'Mello Road,
Mumbai - 400 009.

Date: 12th April, 2011

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

(in pursuance of Clause 49 of the Listing Agreement)

Name of the Director	SHRI PURAN CHANDRA SONI	SHRI PANKAJ R. DESAI
Date of Birth	16 th August, 1938	26 th February, 1959
Date of Appointment on Board	31 st January, 2000	1 st July, 2000
Qualifications	M.Com, FCS.	B.Com.
Experience	He has rich experience in Management, Finance and Consultancy of 45 years.	He has rich experience in Management, Finance and Consultancy of 35 years.
Name of Companies in which outside directorship held	NIL	NIL
Membership of the Committees on the Board	1. Member of the Audit Committee. 2. Member of the Shareholder and Investors Grievance Committee.	1. Member of the Audit Committee. 2. Member of the Shareholder and Investors Grievance Committee.

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DIRECTORS' REPORT

To the Members,

You all are aware that the Hon'ble High Court of Bombay has appointed a Special Committee to take charge of the management and affairs of the Company vide its Order dated 12th March, 2004. With the permission of the Special Committee, your Directors are presenting the 24th Annual Report of the Company with the Audited Statement of Accounts for the financial year ended 31st March, 2011.

1. Financial Results

The Financial Results of the Company for the year under review are summarized for your consideration:-

	31.03.2011	31.03.2010
	(Rs. in Lacs)	
Gross Income	134.58	800.67
Expenditure	325.57	343.20
Write-offs	659.51	3244.57
Profit / (Loss) for the year before tax	(850.50)	(2787.10)
Profit / (Loss) for the year after tax	(850.50)	(2787.10)
Balance of (Loss) brought forward	(31740.45)	(28953.40)
Income Tax refund of earlier years	0.19	0.05
Balance of (Loss) carried forward	(32590.76)	(31740.45)

2. Dividend

In view of the losses the Directors have not recommended any Dividend for the year ended 31st March, 2011.

3. Management Discussion and Analysis

You are aware that the Company is under the management of the Special Committee appointed by the Hon'ble High Court of Bombay instead of Official Liquidator in Company Petition No. 1017/2002 vide Order dated 12th March, 2004. In pursuance to Order dated 12th April, 2004 passed by the Hon'ble High Court of Bombay, the Board of Directors are working under the superintendence of the Special Committee.

The major thrust of the Special Committee is to recover the dues from defaulters of the Company, reduction of expenses and formulate scheme of the repayment to the fixed deposit holders, other secured and unsecured creditors.

The Special Committee pursuant to the direction of the Hon'ble High Court is concentrating on recoveries and in addition to pursuing the legal recourse, is calling the defaulters for settlement of their dues with a view to expedite the recovery.

The Company is currently not engaged in business of Non-Banking Finance Company (NBFC) w.e.f. 14th May, 1998 as per restrictions imposed by Reserve Bank of India and the thrust is on recovery of its dues and repayment of its liability in a phased manner.

The Company, under the direction of the Special Committee appointed by the Hon'ble High Court of Bombay, is complying with all the requirements of the Listing Agreement, The Companies Act, 1956 and Reserve Bank of India like submission of various forms and returns to Stock Exchanges, Registrar of Companies and Reserve Bank of India.

The Hon'ble High Court of Bombay reviewed the working of the Company under the management of the Special Committee and vide order dated 14th March, 2007 appraised that the Special Committee has acted in earnest and has made best possible efforts to effectuate the purpose of the constitution of the Special Committee and that a substantial amount of work has been done by the Special Committee towards realization of the outstandings, settlement of dues of the Secured Creditors, Debenture holders and Fixed deposit holders. The Special Committee

comprises of Mr. Justice V. R. Datar (Retd. Judge of High Court of Bombay) as Chairman, Mr. S. C. Malhotra I.P.S., D.G.P. (Retd.) Maharashtra, Mr. P. K. Bansal, I.P.S., D.G.P. (Retd.), Gujarat as Members.

The Special Committee has addressed to all class of creditors i.e. Banks and Financial Institutions, Debenture Holders and Fixed deposit holders by formulating scheme for repayment based on the availability of funds from the debtors of the Company.

Adequacy of Internal Control:

Considering the size and nature of activities, the Company has adequate Internal Control System covering both accounting and administrative control. In addition, the internal audit is carried out periodically. The management is ensuring an effective internal control system so that the financial statements and reports give a true and fair view.

Human Resources / Industrial Relation:

In spite of Company being under the management of Special Committee and facing financial difficulties, the morale of the employees remained high. The organization culture and the commitment of the Company to its people reflect in the motivation levels and the acknowledgement of its employees.

Future Outlook:

In the year 2010-2011, the Special Committee received approval from the Hon'ble High Court of Bombay sanctioning the Scheme of repayment to Non-Convertible Debenture Holders u/s 391 of the Companies Act, 1956 vide its order dated 27/09/2010. The sanction for the Scheme was for debenture holders holding upto maximum 20000 debentures comprising mostly of individual investors. This class of debenture liability forms part of secured creditors. Since most of the secured creditors have been covered under the scheme/settlements, excluding 2 (two) institutional secured creditors as reported separately herein, the Special Committee is now contemplating to formulate the composite scheme of repayment to fixed deposit holders forming part of unsecured creditors. The Special Committee, after due diligence, shall file the said proposed scheme in the next financial year before the Hon'ble High Court of Bombay for consideration and approval.

Upon the formulation of the scheme and subject to approval of the Hon'ble High Court of Bombay, the Special Committee shall, thereafter, approach the Hon'ble High Court of Bombay for further directions with regard to future course of action with a view that the Special Committee by then would have addressed the objective of appointment of the Special Committee by formulating the scheme for all class of creditors i.e. secured and unsecured. The Special Committee shall submit the report with regard to the status of settlement with 2 (two) institutional creditors and seek further directions in that regard from the Hon'ble High Court of Bombay.

4. Fixed Deposit

The Company has neither accepted fresh deposits nor renewed the existing deposits during the year under review. Outstanding deposits from public as on 31-03-2011, excluding security deposits and inter-corporate deposits, stood at Rs.112.20 Crore (Previous Year Rs.113.93 Crore). As you are aware, the Special Committee appointed by the Hon'ble High Court of Bombay is in charge of the management and affairs of the Company and entitled to frame a scheme for the payment of dues of secured and unsecured creditors including fixed deposit holders.

The Special Committee after the approval of the Hon'ble High Court of Bombay, in addition to the payment of deposits upto Rs.5000/- has commenced payment of the deposits of principal amount between Rs.5001/- to Rs.10000/- from the month of August, 2006. The scheme of the other category of slab of depositors shall be framed

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by the Special Committee on the basis of availability of funds generated out of recovery from the debtors of the Company.

The Special Committee pursuant to direction of the Hon'ble High Court of Bombay is also making payment on compassionate ground for hardship cases to Senior Citizens, Widows, for critical medical exigencies etc. on the basis of availability of funds.

5. Banks & Financial Institutions borrowings

The Directors wish to inform that under guidance of Special Committee, One Time Settlements have been reached with 21 out of 22 Banks and Financial Institutions. One institutional creditor i.e. Gujarat State Financial Corporation (GSFC) has outstanding term loan amounting to Rs.670.98 lacs, for which efforts are being made by the Special Committee to arrive at One Time Settlement in tandem with settlement with other Banks and Financial Institutions.

6. Debentures

As regards the liability of Non-convertible debentures, the Hon'ble High Court of Bombay vide its order dated 27.09.2010 in Company Petition No. 926 of 2009 u/s 391 of the Companies Act, 1956, has approved Scheme of Compromise with Public Issue Debenture Holders. In terms of the scheme, debenture holders holding upto 100 debentures will be repaid 55% of principal face value of debentures, those holding 101 to 1000 will be repaid 35% of principal face value and those holding 1001 to 20000 debentures will be repaid 25% of principal face value. The Company is making payment to the debenture holders who have lodged their claims with the Company in terms of the Scheme approved by Hon'ble High Court of Bombay.

The Public Issue Debenture holders also include M/s. Repco Bank Ltd., the institutional debenture holder, who rejected the Scheme of Compromise. Further, M/s. Repco Bank Ltd. is also holding Privately Placed Non-Convertible Debentures. A Scheme of Compromise u/s 391 of the Companies Act, 1956 was separately proposed for the said liability. However, M/s. Repco Bank Ltd. rejected the same. M/s. Repco Bank Ltd. is classified as institutional debenture holder and accordingly the Special Committee had thought it fit and proper to offer 10% of principal amount in Scheme of Compromise in line with settlement with other Banks & Financial Institutions. The Special Committee is making efforts for settlement with M/s. Repco Bank Ltd..

7. Statutory Information

There were no employees during the year ended 31st March, 2011 in respect of whom the particulars are required to be disclosed with reference to Section 217(2A) of the Companies Act, 1956.

The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, require disclosure of particulars regarding Conservation of Energy in Form A and Technology Absorption in Form B prescribed by the rules. The Company, not being a manufacturing company is advised that Form A and B are not applicable to it. The Company had no Foreign Exchange earnings and outgoings during the year under review.

8. Directors

The Government of India, Ministry of Corporate Affairs vide letter dated 05/06/2007 approved the re-appointment of Shri Pankaj R. Desai as Managing Director for a period of five years w.e.f. 1/11/2006. The term of Shri Pankaj R. Desai is due to expire on 31st October, 2011. In view of the overall

efforts of Shri Pankaj R. Desai, the Board of Directors in its meeting held on 12.04.2011 have given their consent for re-appointment of Shri Pankaj R. Desai for a further period of 5 (five) years w.e.f. 1st November, 2011, subject to approval of the Shareholders and the Central Government. The Board has also forwarded their views to the Special Committee for approval.

Shri P. C. Soni, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

9. Directors' Responsibility Statement

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

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

10. Auditors' Observations

The observations of the Auditors are in the nature of general disclosures, which read together with the accounting policies and the relevant notes to the accounts, are self-explanatory.

11. Auditors

The members are requested to appoint Auditors and fix their remuneration.

12. Corporate Governance

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

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

13. Acknowledgement

The Board wishes to express its deep appreciation to the Banks and Financial Institutions and various other agencies for their co-operation and to all staff members for the efficient and loyal services rendered by them.

For and on behalf of the Board

Place : Mumbai
Date : 12th April, 2011

Basant Bhorka
Chairman

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CORPORATE GOVERNANCE

(a) Company Philosophy

The Company believes that good corporate governance practice should be enshrined in all activities of the Company. This would ensure efficient conduct of the affairs of the Company. The Company's philosophy on corporate governance envisages the attainment of high level of transparency in the functioning of the Company and conduct of its business internally and externally with emphasis on various compliances.

The Company is under the management of the Special Committee appointed by the Hon'ble High Court of Bombay vide Order dated 12th March, 2004 instead of Official Liquidator in Company Petition No. 1017/2002, Company Application No. 231/2004. The Special Committee is headed by Justice Shri V.R. Datar (Retd. Judge of High Court, Bombay), as Chairman of the Committee, Shri S.C. Malhotra- I.P.S. (Retd. DGP of Maharashtra), as member of the Committee and Shri P.K. Bansal – I.P.S (Retd. DGP of Gujarat), as member of the Committee. Further, by order dated 12th April, 2004 of the Hon'ble High Court of Bombay, the Board of Directors and Company Secretary are directed to work under the superintendence of Special Committee functioning under the aegis of the High Court of Bombay. Therefore, decisions of all nature, day to day functioning are taken under the approval and superintendence of the Special Committee.

The objective of the Company is to focus on generating funds from debtors and pay to the secured and unsecured creditors of the Company as per the settlement reached with them and/or as per the scheme to be framed from time to time under directions of the Hon'ble High Court of Bombay and on the basis of availability of funds.

Your Company is fully committed to and continues to follow procedures and practices in conformity with the Code of Corporate Governance enshrined in the Listing Agreement.

The Special Committee has addressed to all class of creditors i.e. Banks and Financial Institutions, Debenture Holders and Fixed deposit holders by formulating scheme for repayment based on the availability of funds from the debtors of the Company.

(b) The Board of Directors

The Board of Directors comprises of a Managing Director and 2 (two) Non-Executive Independent Directors.

The Special Committee gave the direction that though the Special Committee has been appointed by the Hon'ble High Court of Bombay instead of appointing the Official Liquidator, the Board must exist. The Board shall function with the same Directors & Managing Director. The Board is, therefore, functioning as per the direction given by the Special Committee and the meeting of the Board, Audit Committee, Investor Grievance Committee etc. is being conducted with the direction and approval of the Special Committee.

During the year four Board meetings were held on 07th May, 2010, 29th July, 2010, 20th October, 2010 and 31st January, 2011 respectively.

Ms. Rinku R. Gadani, the Company Secretary acts as the Secretary to the Board Meetings.

Directors attendance at the Board Meeting & last Annual General Meeting are as follows.

Name of the Director	Category	Attendance at Board Meeting	Whether Attended Last AGM held on 20.08.10	Details of Committee positions held in other Public Co.'s
Mr. Basant Bhorka	Chairman, Non-Executive Independent Director	2	Yes	Nil
Mr. P.C. Soni	Non-Executive Independent Director	4	Yes	Nil
Mr. Pankaj Desai	Managing Director	4	Yes	Nil

None of the Directors of the Company are members of more than Ten Committees of Board nor the Chairman of more than Five Committees across all Companies in which they are Directors.

The details of other Committee Chairmanship and Membership held by the Directors of the Company as at 31st March, 2011 are given below:

Name of the Director	Chairman of Committee*	Member of Committee*
Mr. Basant Bhorka	2	-
Mr. P.C. Soni	-	2
Mr. Pankaj Desai	-	2

*Only two Committees, namely, Audit Committee and Shareholder/Investor Grievance Committee have been considered as per Clause 49 of the Listing Agreement.

(c) Audit Committee

The Audit Committee constituted by the Company consists of three Directors with two Non-Executive Independent Directors:

Mr. Basant Bhorka - Chairman, Non-Executive Independent Director
Mr. P.C. Soni - Non-Executive Independent Director
Mr. Pankaj R. Desai - Managing Director

During the year four Audit Committee meetings were held on 07th May, 2010, 29th July, 2010, 20th October, 2010 and 31st January, 2011 respectively.

The terms of reference of the Audit Committee include, overseeing of the Company's financial reporting process, recommending the appointment and removal of the external auditors, fixation of the audit fees with management, the annual financial statements, the adequacy of internal control systems, internal audit function, reviewing the company's financial and risk management policies, review of the expenses vis-a-vis budget, repayment of F.D. as per the direction of the Special Committee and the Hon'ble High Court, Bombay, report on compliances with statutory requirements, reviewing compliances as regards the Company's Whistle Blower Policy etc.. The Audit Committee reviews the adequacy of internal

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Under the Management of Special Committee Appointed by Hon'ble High Court at Bombay

control systems etc. as mentioned in the scope and powers of the Audit Committee in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

The minutes of the Audit Committee are circulated to the Board, discussed and taken note of at the Board Meeting. Ms.Rinku R. Gadani, the Company Secretary acts as the Secretary to the Audit Committee.

Attendance of the members at the meeting of the Audit Committee held during the year 2010-11.

Name of the Director	Category	Attendance at Audit Committee meeting
Mr. Basant Bhorka	Chairman, Non-Executive Independent Director	2
Mr. P.C. Soni	Non-Executive Independent Director	4
Mr. Pankaj Desai	Managing Director	4

(d) Share / Investor Grievance Committee

The Share / Investor Grievance Committee meet periodically for approval of Share Transfer / issue of duplicate shares / replacements, etc.

The Committee is constituted by Mr.Basant Bhorka, Mr.P.C. Soni and Mr.Pankaj Desai.

The Committee monitors transfers, transmissions, splitting and consolidation of shares, complaints / queries from shareholders / investors etc. and redressal of complaints / queries.

The Board has designated Ms.Rinku R Gadani, Company Secretary as Compliance Officer.

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

Description	Received	Replied
Direct	39	39
Bombay Stock Exchange	02	02
SEBI Complaints	10	08
DCA	03	03

(e) Details of Remuneration of Directors

The remuneration of the Managing Director of the Company is approved by the Special Committee appointed by the Hon'ble High Court of Bombay and Board of Directors within the limits of the Act and approved by the Shareholders in the general meeting held on 18/8/2006. The Government of India, Ministry of Corporate Affairs vide letter dated 05/06/2007 approved the re-appointment of Mr. Pankaj R. Desai as Managing Director for a period of five years w.e.f. 1/11/2006. The Board has given consent for re appointment of Shri Pankaj R. Desai as Managing Director for a further period of 5 years from 1st November, 2011. The remuneration, terms and conditions and other details of his appointment as Managing Directors forms part of the notice.

The Non-executive Directors are paid sitting fees of Rs.500/- for each meeting of the Board and Committee attended by them.

The details of remuneration paid to Mr. Pankaj R. Desai, Managing Director with approval of the Special Committee for the year ended 31st March, 2011 is given below :

1	Gross salary including taxable perquisites	Rs. 4,77,600/-
2	Company's contribution to PF	Rs. 47,520/-
	Total	Rs. 5,25,120/-

The Details of payment of Sitting Fees to Directors during the year are given below :

Name	Sitting Fees for attending Board Meeting & Committee Meeting *
Mr. Basant Bhorka	Rs.3,000/-
Mr. P.C. Soni	Rs.6,000/-
Mr. Pankaj Desai	NIL

*At present the Non-Executive Directors are being paid only sitting fees for attending the Board / Committee Meetings.

(f) General Body Meeting

(i) The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Venue of the Meeting
2009 – 2010	20-08-10	10.30 A.M.	Sunflower I & II, 30th Floor, World Trade Centre, Centre 1, Cuffe Parade, Mumbai – 400 005.
2008 – 2009	28-08-09	10:30 A.M.	Jasmine Hall, 1st Floor, World Trade Centre, Centre 1, Cuffe Parade, Mumbai - 400 005
2007 – 2008	14-08-08	10:30 A.M.	Jasmine Hall, 1st Floor, World Trade Centre, Centre 1, Cuffe Parade, Mumbai - 400 005.

Year ended 31-03-2010 - No Special Resolution was passed

Year ended 31-03-2009 - No Special Resolution was passed

Year ended 31-03-2008 - No Special Resolution was passed

(ii) Postal Ballot

During last year no special resolution was put through postal ballot and neither during the current year any special resolution is proposed to be conducted through postal ballot.

(g) Disclosure

(i) Disclosure on materially significant related party transaction i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflicts with the interest of the Company at large.

There are no such transactions during the year.

Under the Management of Special Committee Appointed by Hon'ble High Court at Bombay

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- (ii) Details of non-compliance by the Company, penalties strictures imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.
There are no penalties or strictures imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital markets.
- (iii) Disclosure of Directors seeking appointment / re-appointment :
The details pertaining to Directors seeking re-appointment are furnished in the notice to members.
- (iv) Secretarial Audit :
A qualified practicing Company Secretary carried out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The secretarial 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 dematerialized shares held with NSDL and CDSL.
- Whistle Blower Policy and affirmation that no personnel has been denied access to the audit committee :**
No personnel has been denied access to the audit committee and Special Committee.
- Details of Companies with mandatory requirements and adoption of the non-mandatory requirements of this clause :**
The Company has complied with all the mandatory requirements. As regards the non - mandatory requirements, they are complied with to the maximum extent.
- Pursuant to the orders of Hon'ble High Court of Bombay, the Special Committee is appointed to manage affairs of the Company and the Directors are required to function under superintendence of the Special Committee.
- (h) **CEO CERTIFICATION**
As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Managing Director of the Company has certified to the Board in compliance with the Clause 49 (V) regarding CEO certification.
- (i) **Means of Communication**
- The Board of Directors of the Company with the permission of the Special Committee approves and takes on record the quarterly and half yearly financial results in the proforma prescribed by Clause 41 of the Listing Agreement within 45 (forty five) days of the close of the respective period and yearly audited financial results within 60 (sixty) days from close of the financial year.
 - The quarterly and half-yearly unaudited financial results were published in Free Press Journal & Navashakti newspapers.
 - The Company has created an e-mail address, pursuant to Clause 47(F) of the Listing Agreement, for accepting investor's grievance on lfinvestors@yahoo.co.in.
 - The Company's financial results and official news releases are displayed on the Company's website www.lloydsfinance.in.
- (j) **Code of Conduct**
Lloyds Finance Limited has well defined policy framework which lays down procedure to be adhered to by all Board Members and Senior Management for ethical professional conduct. The Code outlines fundamental ethical considerations as well as specified considerations that need to be maintained for professional conduct. The Annual Report contains the declaration to this effect that the Code of Conduct has been complied by the Board Members and Senior Management. The Code of Conduct is also posted on the website of the Company www.lloydsfinance.in.
- (k) **General Shareholder Information**
- | | | |
|---|---|--|
| (I) Annual General Meeting Date | : | 27 th May, 2011,
Venue : SEMINAR - II Room, 31st Floor, Centre1, MVIRDC,
World Trade Centre, Cuffe Parade, Mumbai - 400 005. |
| (II) Results for quarter ending 30.06.2011 | : | On or before 15th August, 2011. |
| Results for quarter ending 30.09.2011 | : | On or before 15th November, 2011. |
| Results for quarter ending 31.12.2011 | : | On or before 15th February, 2012. |
| Audited Results for financial year 2011-12 | : | On or before 30th May, 2012. |
| (III) Book Closure Date | : | 20 th May, 2011 to 27 th May, 2011 (both days inclusive). |
| (IV) Dividend Payment Date | : | Not declared. |
| (V) Listing of Equity Shares on Stock Exchanges and
payment of Listing Fee | : | Bombay Stock Exchange Limited (BSE),
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.
National Stock Exchange of India Limited (NSE),
"Exchange Plaza", Bandra-Kurla Complex, Bandra (E),
Mumbai 400 051.
Annual listing fee for the year 2011-12 (as applicable) shall be
paid by the Company to BSE and NSE. |
| (VI) Stock Code : | | |
| a) Trading Script / Symbol at : | | |
| Bombay Stock Exchange | : | 507870 |
| National Stock Exchange | : | Lloydfin |
| b) Demat ISIN Number in
NSDL & CDSL | : | INE174A01015 |

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Under the Management of Special Committee
Appointed by Hon'ble High Court at Bombay

(VII) Stock Market Data :

National Stock Exchange :

	NSE	
	High(in Rs.)	Low(in Rs.)
April 2010	2.40	1.80
May 2010	2.55	1.90
June 2010	2.15	1.90
July 2010	2.15	1.85
Aug. 2010	2.05	1.75
Sept.2010	1.90	1.55
Oct. 2010	1.75	1.30
Nov. 2010	1.70	1.15
Dec. 2010	1.50	1.15
Jan. 2011	2.10	1.15
Feb. 2011	1.75	1.25
Mar. 2011	1.45	1.20

(VIII) Registrar and Transfer Agents :

(share transfer and communication
regarding share certificate, dividends
and change of address)

Bigshare Services Pvt. Ltd.,
E-2/3, Ansa Industrial Estate,
Saki-Vihar Road, Saki Naka,
Andheri (East), Mumbai-400072.
Tel : 40430200 / 299
Fax : 2847 5207
E-mail: info@bigshareonline.com

(IX) Share Transfer System :

Share transfer requests are registered within an average period of 15 to 20 days from the date of receipt. The Board has delegated the authority for approving transfer etc. of the Company's Securities to the Shareholders / Investor Grievance Committee. A summary of transfer etc. of Securities of the Company so approved by the said Committee is placed at the quarterly Board meetings.

The Company obtains from a Company Secretary in practice, half yearly certificate of compliance with the share transfer formalities as required under Clause 47 (C) of the Listing Agreement with the Stock Exchange and files a copy of the certificate with the Stock Exchange.

(X) Distribution of Shareholding as at 31st March, 2011 :

NO. OF SHARES HELD		NO. OF SHAREHOLDERS		NO. OF SHARES HELD	
FROM	TO	TOTAL	% OF TOTAL	TOTAL	% OF TOTAL
1	500	55732	87.40	10154997	27.14
501	1000	3726	5.84	3196111	8.54
1001	2000	1912	3.00	3069835	8.20
2001	3000	713	1.12	1854164	4.96
3001	4000	284	0.45	1032079	2.76
4001	5000	442	0.69	2140489	5.72
5001	10000	542	0.85	4147261	11.09
10001	AND ABOVE	413	0.65	11817084	31.59
TOTAL		63764	100.00	37412020	100.00

(XI) Categories of Shareholders as on 31st March, 2011 :

CATEGORY	NO.OF SHARES	% OF SHARE CAPITAL
Promoters	-	-
Banks / Financial Institutions	213500	0.57
MFs & UTI	35150	0.09
FII	-	-
Others	37163370	99.34
TOTAL	37412020	100.00

**Under the Management of Special Committee
Appointed by Hon'ble High Court at Bombay**

Lloyds Finance

(XII) Dematerialization of Shares -

Over 76.10% of the outstanding shares have been dematerialized upto 31st March, 2011. Trading in Equity Shares of the Company is permitted only in dematerialized form as per notification issued by the Securities and Exchange Board of India.

(XIII) Outstanding Warrants and convertible Bonds, conversion date and likely impact on the Equity : Not Applicable

(XIV) (a) **Investor Correspondence**

For transfer / dematerialization of shares, payment of dividend on shares, and any other query relating to the Shares of the Company :

Bigshare Services Pvt. Ltd.,
E-2/3, Ansa Industrial Estate,
Saki-Vihar Road, Saki Naka,
Andheri (East), Mumbai – 400 072.
Phone: 40430200 / 299
E-mail: info@bigshareonline.com

(b) **Any query on debentures, scheme/redemption of debenture etc. or on Annual Report**

Secretarial Department :
Viraj Impex House, 2nd Floor,
47, P.D'Mello Road,
Masjid (East), Mumbai - 400 009.
Tel. : 23484592 / 23483997 Fax : 23482669

DECLARATION

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

For Lloyds Finance Limited

Place : Mumbai
Date : 12th April, 2011

Pankaj Desai
Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the members of Lloyds Finance Limited,

We have examined the compliance of Corporate Governance by Lloyds Finance Limited for the year ended 31st March, 2011, as stipulated in Clause 49 of the Listing Agreements of the said Company with the Stock Exchanges in India.

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

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

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

For VIJAY H. SHAH & Co.
Chartered Accountants

Place : Mumbai
Date : 12th April, 2011

VIJAY H. SHAH
Proprietor
M.No.47391

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Under the Management of Special Committee
Appointed by Hon'ble High Court at Bombay

AUDITORS REPORT

To the Members of

LLOYDS FINANCE LIMITED

We have audited the attached Balance Sheet of LLOYDS FINANCE LIMITED as at 31st March, 2011 and also the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors Report) Order, 2003, issued by the Central Government in terms of Section 227(4-A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above.
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law, have been kept by the Company so far as it appears from our examination of the books.
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by the Report are in agreement with the books of account.
 - (d) In our opinion the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred in Section 211(3C) of the Companies Act, 1956.
 - (e) As per the information & explanation given to us, none of the Directors of the Company are disqualified from being appointed as Directors under clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon give the information required by the Companies Act, 1956 in the matter so required and give a true and fair view in conformity of the accounting principles generally accepted in India.
 - i) In the case of the Balance Sheet of the state of affairs of the Company as at March 31, 2011.
 - ii) In the case of the Profit and Loss Account, of the loss of the Company for the year ended on that date.
 - iii) In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

For **VIJAY H. SHAH & Co.**
Chartered Accountants

Place: Mumbai
Date : 12th April, 2011

VIJAY H. SHAH
Proprietor

**Annexure referred to in paragraph 1 of the Auditors Report to the Members of
LLOYDS FINANCE LIMITED on the Accounts for the year ended 31st March, 2011.**

1. The nature of Company's activities during the year have been such that clauses (iii), (iv), (v), (vii), (viii), (xiii), (xvi), (xviii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company for the year.
2. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
3. The Company has neither accepted fresh deposits nor renewed the existing deposits during the year under review. Outstanding deposit from the public as on 31st March, 2011 excluding security deposits and inter corporate deposit stood at Rs.112.20 Crores. The Special Committee appointed by the Hon'ble High Court at Bombay is in charge of the management and affairs of the Company and entitled to frame a scheme for the payment of dues of secured and unsecured creditors including fixed deposit holders. The Special Committee after the approval of the Hon'ble High Court of Bombay, in addition to the payment of deposits up to Rs.5000/-, has commenced payment of the deposits of principal amount between Rs.5001/- to Rs.10000/- from the month of August, 2006.
4. The Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax and any other statutory dues with the appropriate authorities. The Company has disputed Sales Tax Liabilities amounting to Rs.342.74 lacs, for which appeals are pending.
5. The accumulated losses of the Company exceeded its net worth at the end of the financial year. The Company has incurred losses during the current year and also during immediately preceding financial year.
6. Company's loan fund at the year-end is Rs.14102.65 lacs as compared to Rs.14955.31 lacs in the previous year. The reduction was due to settlement and repayment etc..
7. In our opinion, adequate documents and records are maintained by the Company for loans and advances granted on the basis of security by way of pledge of shares and debentures and similar other securities.
8. As informed to us, the Company has not given any guarantee for the loans taken by others from banks or financial institutions during the year.
9. In our opinion and according to information and explanation given to us, the Company has not issued any fresh debentures during the year.
10. During the year the Company has not raised money by the public issue.
11. According to the information and explanations given to us by the Management and checks carried out by us, any fraud on or by the Company has not been noticed or reported during the year under report.

For **VIJAY H. SHAH & Co.**
Chartered Accountants

Place: Mumbai
Date : 12th April, 2011

VIJAY H. SHAH
Proprietor

24th Annual Report 2010-2011**Under the Management of Special Committee
Appointed by Hon'ble High Court at Bombay****LLOYDS FINANCE LIMITED****BALANCE SHEET AS AT 31ST MARCH, 2011**

(Rs. in Lacs)

	SCHEDULE	As at 31.03.2011	As at 31.03.2010
SOURCES OF FUNDS			
1. SHAREHOLDERS' FUND			
A. SHARE CAPITAL	1	3,741.20	3,741.20
B. RESERVES AND SURPLUS	2	23,772.04	23,113.71
		27,513.24	26,854.91
2. LOAN FUNDS			
A. SECURED	3	2,521.13	3,199.98
B. UNSECURED	4	11,581.52	11,755.33
		14,102.65	14,955.31
TOTAL		41,615.89	41,810.22
APPLICATION OF FUNDS			
1. FIXED ASSETS			
GROSS BLOCK	5	66.29	66.29
LESS : DEPRECIATION		6.17	6.17
NET BLOCK		60.12	60.12
2. INVESTMENTS : UNQUOTED	6	490.25	491.91
3. CURRENT ASSETS, LOANS & ADVANCES	7	9,100.78	10,132.95
LESS : CURRENT LIABILITIES & PROVISIONS	8	626.02	615.21
NET CURRENT ASSETS		8,474.76	9,517.74
4. PROFIT & LOSS A/C		32,590.76	31,740.45
TOTAL		41,615.89	41,810.22
ADDITIONAL SCHEDULE : PARTICULARS	10		
AS PER NBFC DIRECTIONS			
NOTES TO ACCOUNTS	11		

As per our attached report of even date

For Vijay H. Shah & Co.
Chartered Accountants**Vijay H. Shah**
ProprietorPlace : Mumbai
Date : 12th April, 2011

For and on behalf of the Board

Basant B. Bhoruka
Chairman**Pankaj R. Desai**
Managing Director**Rinku Gadani**
Company Secretary

Under the Management of Special Committee
Appointed by Hon'ble High Court at Bombay

Lloyds Finance

LLOYDS FINANCE LIMITED

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

(Rs. in Lacs)

	SCHEDULE	Year Ended 31.03.2011	Year Ended 31.03.2010
INCOME			
INTEREST		62.97	61.20
OTHER INCOME		71.61	739.47
TOTAL INCOME		134.58	800.67
EXPENDITURE			
ADMINISTRATIVE & GENERAL EXPENSES	9	325.57	343.20
DEBTS/ADV./INVEST./ASSETS WRITTEN OFF & OTHER EXPS.		659.51	3,244.57
TOTAL EXPENSES		985.08	3,587.77
PROFIT/(LOSS) FOR THE YEAR BEFORE TAX		(850.50)	(2,787.10)
ADD : PROVISION FOR TAX		-	-
PROFIT/(LOSS) FOR THE YEAR AFTER TAX		(850.50)	(2,787.10)
LESS : IT REFUND OF EARLIER YEARS		0.19	0.05
NET (LOSS) FOR THE YEAR		(850.31)	(2,787.05)
ADD : BALANCE BROUGHT FORWARD		(31,740.45)	(28,953.40)
LOSS CARRIED TO BALANCE SHEET		(32,590.76)	(31,740.45)
ADDITIONAL SCHEDULE : PARTICULARS	10		
AS PER NBFC DIRECTIONS			
NOTES TO ACCOUNTS	11		

As per our attached report of even date

For Vijay H. Shah & Co.
Chartered Accountants

Vijay H. Shah
Proprietor

Place : Mumbai
Date : 12th April, 2011

For and on behalf of the Board

Basant B. Bhoruka
Chairman

Pankaj R. Desai
Managing Director

Rinku Gadani
Company Secretary

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Under the Management of Special Committee
Appointed by Hon'ble High Court at Bombay

LLOYDS FINANCE LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET

(Rs. in Lacs)

	As at 31.03.2011	As at 31.03.2010
SCHEDULE 1:		
SHARE CAPITAL		
A. Authorised		
60000000 Equity Shares of Rs. 10/- each	6,000.00	6,000.00
(Previous Year 60000000 Equity Shares of Rs.10/- each)		
1500000 Preference Shares of Rs. 100/- each	1,500.00	1,500.00
(Previous year 1500000 Preference Shares of Rs.100/- each)		
	7,500.00	7,500.00
B. Issued, Subscribed and Paid up		
37412020 Equity Shares of Rs. 10/- each fully paid up	3,741.20	3,741.20
(Previous Year 37412020 Equity Shares of Rs.10/- each)		
(Out of above)		
I. 3818240 Shares were allotted as fully paid Bonus Shares by capitalisation of General Reserves		
II. 7493240 Shares were allotted as fully paid Bonus Shares by capitalisation of Share Premium		
TOTAL	3,741.20	3,741.20
SCHEDULE 2:		
RESERVES AND SURPLUS		
Share Premium	7,418.27	7,418.27
Debenture Redemption Reserve	1,899.99	1,899.99
Special Reserve u/s 45 IC of the RBI Act, 1934	625.00	625.00
Investment Allowance (Utilised) Reserve	13.21	13.21
Capital Reserve	28.65	28.65
(includes Rs. 5.84 lacs realised from forfeiture of shares)		
Remission of Liabilities	13,786.92	13,128.59
TOTAL	23,772.04	23,113.71
SCHEDULE 3:		
SECURED LOANS		
A. Debentures		
I) 2084933, 15% Redeemable NCDs of Rs.120/- each	1,737.87	2,416.72
II) 4, 17% Redeemable NCDs of Rs.1 crore each after repayment	112.28	112.28
B. Term Loan From Institutions	670.98	670.98
TOTAL	2,521.13	3,199.98
SCHEDULE 4:		
UNSECURED LOANS		
A. Fixed Deposits	11,220.17	11,393.20
B. Security Deposits	361.35	362.13
TOTAL	11,581.52	11,755.33

LLOYDS FINANCE LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET

SCHEDULE 5 :

FIXED ASSETS

(Rs. in Lacs)

PARTICULARS	GROSS BLOCK			AS AT 31.03.2011	DEPRECIATION BLOCK			AS AT 31.03.2011	NET BLOCK	
	AS AT 01.04.2010	ADDI- TIONS	DEDUC- TIONS		UPTO 31.03.2010	01.04.2010 TO 31.03.2011	DEDUC- TIONS		AS AT 31.03.2011	AS AT 31.03.2010
LAND & BUILDING	66.29	-	-	66.29	6.17	-	-	6.17	60.12	60.12
TOTAL	66.29	-	-	66.29	6.17	-	-	6.17	60.12	60.12
Previous Year	101.71	-	35.42	66.29	6.17	-	-	6.17	60.12	-

SCHEDULE 6 :

INVESTMENTS

(Rs. in Lacs)

	Rate Per Unit	Quantity	As at 31.03.2011 Value	Quantity	As at 31.03.2010 Value
Investment in Govt. Securities					
11.50% GOI Bond 2010			-		1.66
			-		1.66
Others					
Europa Enterprises Ltd.	Rs.10/-	4900000	490.00	4900000	490.00
Shamrao Vithal Co-op.Bank	Rs.50/-	500	0.25	500	0.25
			490.25		490.25
TOTAL	A+B		490.25		491.91

SCHEDULE 7 :

CURRENT ASSETS, LOANS AND ADVANCES

(Rs. in Lacs)

	As at 31.03.2011	As at 31.03.2010
A. CURRENT ASSETS		
1. Cash and Bank Balances :		
a. Cash on hand	0.96	0.89
b. Balances with Scheduled Banks -		
In Deposit Accounts	783.69	1,028.69
In Current Accounts	33.64	63.48
2. Receivables :		
(Unsecured, considered good)		
More than 6 months	8,174.72	8,936.27
3. Stock in Trade	-	0.40
	8,993.01	10,029.73
B. LOANS AND ADVANCES		
(considered good)		
Sundry Deposits	8.57	9.28
Other Advances	99.20	93.94
	107.77	103.22
TOTAL	9,100.78	10,132.95
SCHEDULE 8 :		
CURRENT LIABILITIES & PROVISIONS		
Sundry Creditors	163.19	175.54
Statutory Liabilities	2.47	4.67
Other Liabilities	460.36	435.00
TOTAL	626.02	615.21

24th Annual Report 2010-2011

Under the Management of Special Committee
Appointed by Hon'ble High Court at Bombay

LLOYDS FINANCE LIMITED

SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT

(Rs. in Lacs)

	Year Ended 31.03.2011	Year Ended 31.03.2010
SCHEDULE 9 :		
ADMINISTRATIVE AND GENERAL EXPENSES		
Salaries & Allowances	68.41	74.12
Contribution to Employees Provident Fund etc.	3.70	3.62
Communication Expenses	6.58	4.97
Committee Fees	9.32	9.95
Printing & Stationery	3.05	2.49
Directors' Sitting Fees	0.09	0.11
Rent, Rates and Taxes	19.60	18.87
Stock Exchange Listing Fee	3.51	5.23
ROC Filing Fees	0.02	0.02
Legal and Professional Charges	167.11	174.43
Conveyance & Travelling Expenses	19.87	21.77
Advertisement Expenses	4.85	3.95
Bank Charges	0.08	0.03
Office Expenses	10.46	11.66
Electricity Expenses	1.22	1.48
Registrar & Share Transfer Expenses	1.07	1.22
Miscellaneous Expenses	5.24	7.89
Internal Audit Fees	0.79	0.79
Auditors Remuneration - Audit Fees	0.60	0.60
TOTAL	325.57	343.20

SCHEDULE 10 : ADDITIONAL SCHEDULE TO THE BALANCE SHEET OF A NON-BANKING FINANCIAL COMPANY

(as required in terms of Paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998)

Particulars

Liabilities Side :

(Rs. in lacs)

**(1) Loans and advances availed by the NBFCs
inclusive of interest accrued thereon but not paid :**

- (a) Debentures : Secured
: Unsecured
(other than falling within the meaning of
public deposits)

(b) Deferred Credits

(c) Term Loans

(d) Inter-Corporate loans and borrowing

(e) Commercial Paper

(f) Public Deposits

(g) Cash Credit

(h) External Commercial Borrowing

Note: Amount of Secured Debentures, Term Loans, Public Deposits and
Cash Credit are exclusive of overdue interest.

**(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of
interest accrued thereon but not paid) :**

(a) In the form of Unsecured Debentures

(b) In the form of partly Secured Debentures i.e. debentures where there
is a shortfall in the value of security

(c) Other Public Deposits (exclusive of overdue interest)

Amount outstanding	Amount overdue
1850.15	1850.15
-	-
-	-
670.98	670.98
-	-
-	-
11220.17	11220.17
-	-
-	-
11220.17	11220.17

SCHEDULE 10 (cont'd)

		(Rs. in lacs)	
Particulars		Amount outstanding	Amount overdue
Assets side :			
(3) Break-up of Loans and Advances including Bills Receivables [other than those included in (4) below] :			
(a) Secured		-	-
(b) Unsecured		2782.31	-
(4) Break-up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities			
(i) Leased assets including lease rentals under sundry debtors :			
(a) Financial Lease		2672.13	-
(b) Operating Lease		-	-
(ii) Stock on hire including hire charges under sundry debtors :			
(a) Assets on hire		2720.28	-
(b) Repossessed Assets		-	-
(iii) Hypothecation loans counting towards EL/HP activities			
(a) Loans where assets have been repossessed		-	-
(b) Loans other than (a) above		-	-
(5) Break-up of Investments :			
Current Investments :			
1. Quoted :			
(i) Shares	: (a) Equity		-
	(b) Preference		-
(ii) Debentures and Bonds			-
(iii) Units of Mutual Funds			-
(iv) Government Securities			-
2. Unquoted :			
(i) Shares	: (a) Equity		-
	(b) Preference		-
(ii) Debentures and Bonds			-
(iii) Units of Mutual Funds			-
(iv) Government Securities			-
(v) Others (please specify)			-
Long Term Investments			
1. Quoted :			
(i) Shares	: (a) Equity		-
	(b) Preference		-
(ii) Debentures and Bonds			-
(iii) Units of Mutual Funds			-
(iv) Government Securities			-
(v) PSE Securities			-
2. Unquoted :			
(i) Shares	: (a) Equity		490.25
	(b) Preference		-
(ii) Debentures and Bonds			-
(iii) Units of Mutual Funds			-
(iv) Government Securities			-
(v) PSE Securities			-

**Under the Management of Special Committee
Appointed by Hon'ble High Court at Bombay**

(6) Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances :

Amount net of provisions

(Rs. in lacs)

	Market Value/ Break up or fair value or NAV	Book Value (net of provisions)
(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) excluding stock-in-trade Category		
Quoted :		
1. Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	-	-
Total	-	-
Unquoted :		
1. Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	N.A.	490.25
Total	-	490.25

Other Important Particulars

	Amount
(i) Gross Non-Performing Assets*	
(a) Related parties	-
(b) Other than related parties	-
(ii) Net Non-Performing Assets*	
(a) Related parties	-
(b) Other than related parties	-
(iii) Assets acquired in satisfaction of debt	-

(* The entire amount shown under receivable are more than one year old and hence are Non-Performing Assets)

Under the Management of Special Committee Appointed by Hon'ble High Court at Bombay

Lloyds Finance

SCHEDULE 11 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

I. SIGNIFICANT ACCOUNTING POLICIES :

1. Accounting Convention :

The Company has stopped its fund based and non-fund based activities w.e.f. 14th May, 1998 as per restriction imposed by Reserve Bank of India vide its letter No. DNBS (MRO).No.4551/02.04. Lloyds/97-98. The accounts for the year have been prepared on the assumption of a going concern basis in view of the ongoing efforts being made by the Company for recovery and repayment of dues.

2. Expenses :

All the expenses are provided on accrual basis.

3. Revenue :

As mentioned above, the Company has stopped its fund and non-fund based activities. Accordingly there is no operating income. The other income shown in accounts like interest, penalty, dividend etc. are accounted for on cash basis. In respect of accounts written off in earlier years, the Company is recognizing revenue as and when actual amount is received.

4. Retirement Benefits :

The Gratuity is accounted for on accrual basis.

5. Investments :

Investments of the Company are valued as under -

(i) Unquoted	-	At cost
(ii) Government and Trustee Securities	-	At cost
(iii) Stock - in - Trade	-	At cost or Market Value whichever is lower, scripwise

II. NOTES TO THE ACCOUNTS :

1. Contingent Liabilities (Not provided for)

	31.03.2011	31.03.2010
Sales tax liabilities disputed by the Company, pending appeal	55.70	69.95

2. (i) The Company has neither accepted fresh deposits nor renewed the existing deposits during the year under review. Outstanding deposits from the public as on 31st March, 2011 excluding security deposits stood at **Rs.112.20 crores.**

- (ii) The liability of Public Fixed Deposit is subject to reconciliation, reconfirmation, verification, netting off due to loans against fixed deposit. Previously the records were decentralized at respective regions which were transferred, computerized and maintained at Ahmedabad Office. Some of the records were also damaged during the earthquake at Ahmedabad in the year 2001. Pursuant to the direction of the Special Committee, effective from 01.04.2006, all records are now being maintained at the Registered Office at Mumbai.

- (iii) The Company was registered with Reserve Bank of India (RBI) as Non-Banking Finance Company (NBFC). The application for re-registration as required by the Reserve Bank of India Amendment Act, 1997 has been rejected by its Order dated

13/01/2004 under section 45 IA of the RBI Act, 1934 notified on 14th January 2004. On an appeal filed by the Company, the Ministry of Finance being the Appellate Authority for NBFC registration, vide order dated 26.04.2004 directed RBI to maintain status quo for one year. However, on a Writ filed by RBI against the order of Ministry of Finance, the Hon'ble Delhi High Court vide Order dated 8/9/2005 upheld the decision of RBI and as such the Company cannot transact the business of a Non-Banking Finance Company (NBFC) as defined in Clause (a) of section 45-I of the RBI Act, 1934. However, since the Special Committee appointed by the Hon'ble High Court at Bombay is in charge of the management and affairs of the Company, no further steps were considered necessary in the matter.

- (iv) Under the petition filed by Creditors of the Company, the Hon'ble High Court at Bombay vide its order dated 12th March, 2004 has appointed the Special Committee to manage the affairs of the Company under the aegis of the Hon'ble High Court at Bombay instead of the Official Liquidator. Further, vide order dated 12th April, 2004 of the Hon'ble High Court at Bombay the Managing Director and the Company Secretary have been directed to function under the superintendence of the Special Committee. The Special Committee has been empowered to frame the scheme for repayment to all secured and unsecured creditors along with fixed deposit holders on the basis of recovery of dues from Company's borrowers and the payments are being made accordingly on the basis of availability of funds.

3. Secured Creditors

The Hon'ble High Court of Bombay vide its Order dated 3/2/2005 directed the secured creditors to approach the Special Committee for the settlement of their dues. The Hon'ble High Court also directed regarding disbursement of funds to various creditors under the scheme empowered to be finalized by the Special Committee. The Special Committee, accordingly, has been authorized to utilize the funds recovered from the properties / debtors of the Company, whether charged as a security or not, towards the scheme formulated for fixed deposit holders and other secured & unsecured creditors in appropriate proportion. Accordingly, and on the basis of availability of funds, the Special Committee initiated steps to meet the secured creditors and settle the dues. Till 31/3/2011, the Special Committee has reached settlements with all the secured creditors i.e. Banks and Financial Institutions except 1 (one) Financial Institution i.e. Gujarat State Financial Corporation. The status of pending settlements are being submitted to the Hon'ble High Court of Bombay by the Special Committee and efforts are being made to arrive at One Time Settlement in tandem with settlement with other Banks & Financial Institutions.

As regards the liability of Non-convertible debentures, the Hon'ble High Court of Bombay vide its order dated 27.09.2010 in Company Petition No. 926 of 2009 u/s 391 of the Companies Act, 1956 has approved Scheme of Compromise with Public Issue Debenture Holders. In terms of the scheme, debenture holders holding upto 100 debentures will be paid 55% of principal face value of debentures, those holding 101 to 1000 debentures will be paid 35% of principal face value and those holding 1001 to 20000 debentures will be paid 25% of principal face value. The Company is making payment to the debenture holders who

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Under the Management of Special Committee Appointed by Hon'ble High Court at Bombay

have lodged their claims with the Company in terms of the Scheme approved by Hon'ble High Court of Bombay.

The Public Issue Debenture holders also include M/s. Repco Bank Ltd., the institutional debenture holder, who rejected the Scheme of Compromise. Further, M/s. Repco Bank Ltd. is also holding Privately Placed Non-Convertible Debentures. A Scheme of Compromise u/s 391 of the Companies Act, 1956 was separately proposed for the said liability. However, M/s. Repco Bank Ltd. rejected the same. M/s. Repco Bank Ltd. is classified as institutional debenture holder and accordingly the Special Committee had thought it fit and proper to offer 10% of principal amount in Scheme of Compromise in line with settlement with other Banks & Financial Institutions. The Special Committee is making efforts for settlement with M/s. Repco Bank Ltd..

In view of the above and in view of the affairs of the Company now seized before the Hon'ble High Court at Bombay, it will be prudent to mention that all the creditors i.e. secured & unsecured will be repaid only under the scheme to be formulated by the Special Committee and to be approved by the

Hon'ble High Court at Bombay. No distinction regarding the security / charges are being made here because all the creditors will be paid on the basis of scheme to be formulated for each class of creditor and on the basis of availability of funds. The funds for such scheme are being made available from the realization of the assets of the Company which are primarily in the form of receivables /debtors.

4. The provision of interest liability on fixed deposit is not required under the present circumstances. Hence crystallizing the liability of interest on fixed deposit was discontinued and may be considered in future, depending on the availability of funds and circumstances.

5. The balances in various accounts included in Receivables, Loans and Advances have been shown as per values appearing in books of accounts and in view of the management, even though recovery proceedings are legally initiated, they are considered good for recovery unless they have been written off. Accordingly, the penal interest debited in earlier years has been reduced.

6. Additional information pursuant to the provision of paragraph 3, 4C & 4D of Part II of Schedule VI (of the Companies Act 1956)

ITEMS	OPENING STOCK		PURCHASE		SALES/W.OFF		CLOSING STOCK	
Traded Units	Qty. (nos.)	Value (in lacs)	Qty. (nos.)	Value (in lacs)	Qty. (nos.)	Value (in lacs)	Qty. (nos.)	Value (in lacs)
Shares	402900 (402900)	0.40 (0.40)	- -	- -	402900 -	0.40 -	- (402900)	- (0.40)

(Rs.in lacs)

7. Managerial Remuneration

1. Salary
2. Contribution to Provident Fund

31.03.2011	31.03.2010
4.78	4.78
0.48	0.48

8. Earning Per Share :

Basic earning per share has been calculated by dividing loss for the year attributable to equity shareholders, by the weighted average number of equity shares outstanding during the year. The Company has not issued any equity shares and accordingly, the basic earning per share and diluted earning per share are the same.

Weighted average number of shares
Outstanding during the year
Net (Loss) for the year (in Lacs)
(Loss) per share (Rs.)

31.03.2011	31.03.2010
37412020	37412020
(850.31)	(2787.05)
(2.27)	(7.45)

9. Related Party disclosure :

- a) Party where control exists : Nil
- b) Key Managerial Personnel : The Key Managerial Personnel are functioning under the superintendence of Special Committee, appointed by the Hon'ble High Court of Bombay vide its orders dated 12/3/2004 & 12/4/2004 in Company Petition No. 1017/2002 Company Application No 231/2004.
Mr. Pankaj R. Desai
(Managing Director)

10. Previous year figures have been re-arranged, re-casted, re-grouped and/or re-adjusted wherever necessary in accordance with the current year's figure.

As per our attached report of even date

For Vijay H. Shah & Co.
Chartered Accountants

Vijay H. Shah
Proprietor

Place : Mumbai
Date : 12th April, 2011

For and on behalf of the Board

Basant B. Bhoruka
Chairman

Pankaj R. Desai
Managing Director

Rinku Gadani
Company Secretary

**Under the Management of Special Committee
Appointed by Hon'ble High Court at Bombay**

Lloyds Finance

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

(Rs. in lacs)

Particulars	2010-11	2009-10
CASH FLOW FROM OPERATING ACTIVITIES :		
Profit / (Loss) before tax and extraordinary items	(850.50)	(2,787.10)
Add : Income Tax refund of earlier years	0.19	0.05
Bad debts written off	659.51	3,244.57
Operating profit before working capital changes	(190.80)	457.52
(Increase)/Decrease in net stock on hire	-	-
(Increase)/Decrease in loans and advances	(4.55)	66.61
(Increase)/Decrease in other receivables	761.55	3,430.76
Increase/(Decrease) in current liabilities	10.81	(24.91)
Cash generated from operations	577.01	3,929.98
Written off against NPA's	(659.51)	(3,244.57)
Net Cash from Operating Activities (A)	(82.50)	685.41
CASH FLOW FROM INVESTING ACTIVITIES :		
(Placement) / Redemption of bank deposits	245.00	(227.00)
Sale of Fixed Assets	-	-
Sale of investments	2.06	-
Net Cash from Investing Activities (B)	247.06	(227.00)
CASH FLOW FROM FINANCING ACTIVITIES :		
Increase/(Decrease) in bank borrowings	-	-
Increase/(Decrease) in long term borrowings	-	(311.54)
Increase/(Decrease) in fixed deposits	(173.03)	(497.12)
Increase/(Decrease) in security deposits	(0.78)	(1.61)
Increase/(Decrease) in other borrowings	(678.85)	(2,023.87)
Remission of Liabilities	658.33	2,286.09
Net Cash from Financing Activities (C)	(194.33)	(548.05)
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	(29.77)	(89.64)
CASH & CASH EQUIVALENTS AT THE BEGINNING OF YEAR	64.37	154.01
CASH & CASH EQUIVALENTS AT THE END OF YEAR	34.60	64.37

As per our attached report of even date

For Vijay H. Shah & Co.
Chartered Accountants

Vijay H. Shah
Proprietor

Place : Mumbai
Date : 12th April, 2011

For and on behalf of the Board

Basant B. Bhoruka
Chairman

Pankaj R. Desai
Managing Director

Rinku Gadani
Company Secretary

24th Annual Report 2010-2011

Under the Management of Special Committee
Appointed by Hon'ble High Court at Bombay

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
AS PER SCHEDULE VI, PART(IV) OF THE COMPANIES ACT, 1956
AS ON 31ST MARCH, 2011**

I. Registration Details	
Registration No.	37130
State Code	11
Balance Sheet Date	31.03.2011
II. Capital raised during the year (Amount in Rs. Thousands)	
Public Issue	NIL
Rights Issue	NIL
Private Placement	NIL
Bonus issue	NIL
III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)	
Total Liabilities	4161589
Total Assets	4161589
Sources of Funds -	
Paid-up Capital	374120
Reserves & Surplus	2377204
Secured Loans	252113
Unsecured Loans	1158152
Application of Funds -	
Net Fixed Assets	6012
Investments	49025
Net Current Assets	847476
Accumulated Losses	3259076
IV. Performance of Company (Amount in Rs. Thousands)	
Total Income	13458
Total Expenditure	98508
Profit / (Loss) before tax	(85050)
Profit / (Loss) after tax	(85050)
Earnings Per Share (Rs.)	(2.27)
Dividend (%)	NIL
V. Generic Names of Principal Products/Services of Company (as per monetary terms)	
Item Code No.	N. A.
Product Description	1. Corporate Finance 2. Lease & Hire Purchase 3. Consumer Finance

Place : Mumbai
Date : 12th April, 2011

For and on behalf of the Board

Basant B. Bhorka
Chairman

Pankaj R. Desai
Managing Director

Rinku Gadani
Company Secretary

LLOYDS FINANCE LIMITED

Regd. Office : Viraj Impex House, 2nd Floor, 47, P. D' Mello Road, Mumbai - 400 009.

DP ID *	
Client ID *	

ATTENDANCE SLIP

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

Folio No.	
No. of Shares	

I, certify that I am a Registered Member / Proxy for the Registered Member of the Company. I hereby record my presence at the **24th Annual General Meeting** of the Company to be held at SEMINAR - II Room, 31st floor, World Trade Centre, Centre 1, Cuffe Parade, Mumbai - 400 005 on Friday, the 27th day of May, 2011 at 10:30 a.m..

Name of the attending Member in full _____
(in BLOCK LETTERS)

Name of the Proxy in full _____
(in BLOCK LETTERS)
(To be filled in if the Proxy attends instead of Member/s)

Member/s / Proxy/s Signature(s)

----- Tear Here ----- ✂ -----

LLOYDS FINANCE LIMITED

Regd. Office : Viraj Impex House, 2nd Floor, 47, P. D' Mello Road, Mumbai - 400 009.

DP ID *	
Client ID *	

PROXY FORM

Folio No.	
No. of Shares	

I / We _____ of _____ of _____
being a member / members of **LLOYDS FINANCE LIMITED**, hereby appoint _____ of _____ or failing him _____ of _____ as my/our Proxy to attend and vote for me/us, on my/our behalf at the **24th Annual General Meeting** of **Lloyds Finance Limited**, to be held at SEMINAR - II Room, 31st floor, World Trade Centre, Centre 1, Cuffe Parade, Mumbai - 400 005 on Friday, the 27th day of May, 2011 at 10:30 a.m. and at any adjournment thereof.

Signed this _____ day of _____ 2011.

Signature _____

Affix
Re. 1/-
Revenue
Stamp

Note: The Proxies must reach the Company's Registered Office at Viraj Impex House, 2nd Floor, 47, P. D'Mello Road, Mumbai - 400 009 not less than **FORTY EIGHT HOURS** before the time for holding the aforesaid meeting.

*Applicable for investors holding shares in electronic form.

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(Unit : Lloyds Finance Limited)

E-2/3, Ansa Industrial Estate,

Saki-Vihar Road, Saki Naka,

Andheri (East), Mumbai-400 072.

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