



LIVE THE FUTURE

2020



*Live the Future* >>>

2013 Annual Report

**Fedders Lloyd Corporation Limited**





## Engineering Smiles. Enriching Lives.

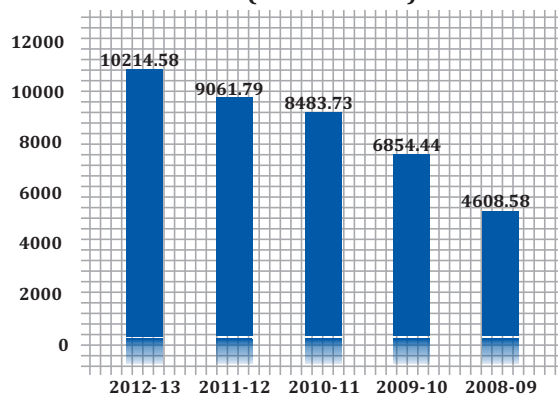
Engineering smiles... Over the years, this passionate obsession with creating happiness has become the core of our existence. Global in vision and rooted in Indian values, the Group is driven by a performance ethic pegged on value creation for all its stakeholders. And that is how we wish to add a smile to every life we touch... our employees, enriching many a lives along the way.

# Five Years Performance Highlights

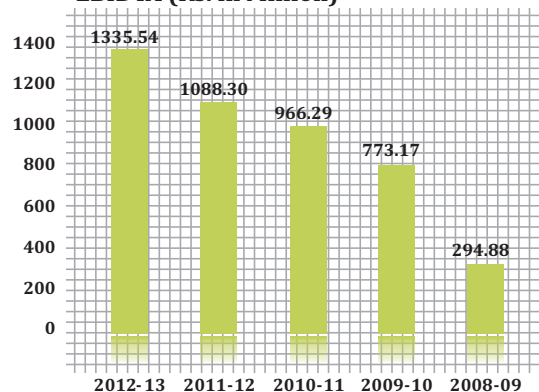
(Rs. in Million)

Particulars	2012 - 13	2011 - 12	2010 - 11	2009 - 10	2008 - 09
Total Income	10214.58	9061.79	8483.73	6854.44	4608.58
EBIDTA	1335.54	1088.30	966.29	773.17	294.88
Profit Before Tax	618.72	557.00	577.49	495.35	140.34
Profit After Tax	496.51	446.65	465.06	400.74	113.16
EPS (in Rs.)	16.14	14.52	15.11	13.02	3.68
Equity Share Capital	30.77	30.77	30.77	30.77	30.77
Reserve & Surplus	2883.89	2424.52	2015.16	1605.44	1242.47
Total Assets	9481.98	7965.84	6271.15	4577.09	3224.29

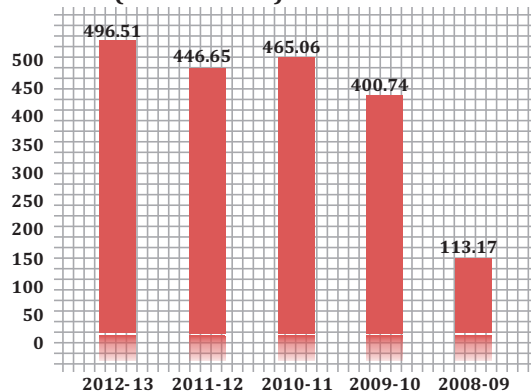
Total Income (Rs. in Million)



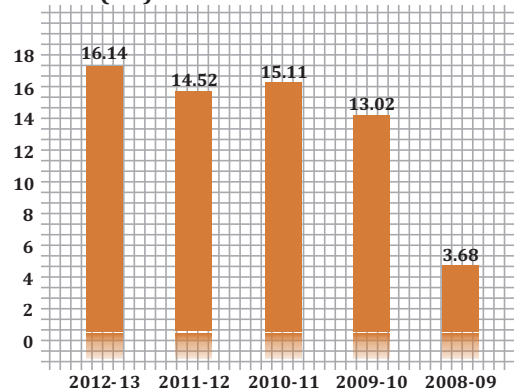
EBIDTA (Rs. in Million)



PAT (Rs. in Million)



EPS (Rs.)



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# Letter from the Chairman

**Brij Raj Punj**

*Chairman & Managing Director*



## Dear Shareowners & Friends,

I take pleasure in reaching you through this Annual Report.

During the year 2012-13, Fedders Lloyd maintained strength and momentum with healthy earnings, strong order intake book position and improved sales from its diversified business portfolio. This performance is even more promising given the challenging circumstances in the global economy and the slowdown in India. It also bears testimony to the robustness of your Company's strategy of pursuing multiple drivers of growth.

## India's Economic Challenges

Five years after the outbreak of the global financial crisis, the world economy continues to remain fragile. The Indian economy demonstrated remarkable resilience in the initial years of the contagion but finally lost ground last year. GDP growth slowed down to a 10-year low of 5%. There was a marked deceleration in agriculture, industry and services. Dampening sentiment led to a cut-back in investment as well as private consumption

expenditure, which are two principal drivers of economic growth. Inflation remained at high levels fuelled by the pressure from the food and fuel sectors. The large fiscal and current account deficits continued to cause grave concern. The rupee depreciation has been very steep since June 2013. The Government has announced several policy measures in recent times to tackle these challenges. It is hoped that investor and consumer sentiment would get re-ignited to put the country once again on a high growth path.

## India's Economic Opportunities

India is now the eleventh largest economy in the world, fourth in terms of purchasing power. It is poised to make tremendous economic strides over the next ten years, with significant development already in the planning stages. In recent years, India has emerged as one of the leading destinations for investors from developed countries. This attraction is partially due to the lower cost of manpower and good quality production. The expansion of investments has brought benefits of employment, development, and growth in the quality of life.

## Financial Performance

Going ahead, I reiterate that we are entering an exciting phase of growth. The total revenue of the Company grew by 12.72% from Rs. 9061.79 Million during the previous year to Rs. 10214.58 Million, this year. During the year 2012-13, Fedders Lloyd crossed the benchmark of Rs. 10000 Million in terms of total revenue.

During the year, the EBITDA grew by 22.71% and was recorded at Rs. 1335.54 Million as against Rs. 1088.30 Million during the previous year. This has resulted in higher earnings per share of Rs. 16.14 as compared to Rs. 14.52 in the previous year.

Among the business sectors, the net sales from Steel Structures & Engineering grew by 27.49%, while Power

Projects business grew by 29.87% as compared to the previous year. All business sectors of the Company have huge potential to grow and generate significant gains for the investors due to the huge market size available in each of the sectors. The government's efforts to some extent are paving way for the infrastructure business of the Company. The detailed segmental overview including Industry Structure, Development, Outlook and Performance is mentioned in the Management Discussion & Analysis Report, which is part of this Annual Report.

When we entered the financial year, the demand environment was very uncertain. As a Company, our priority was to capture growth opportunities. It is proud to mention that we have been able to capture growth opportunities during the year not only through our domain-intensive and customer centric approach but also through our continuous innovation and adaptability. We will continue to build long-term value and meet the evolving needs of our stakeholders through strategic investments in Future.

### Business Excellence & Quality Initiatives

An organisation is shaped by its values, its strategic and operational excellence, its business environment and also the acknowledgment that it receives from its stakeholders. We remain proud of Lloyd Group's heritage of remaining deeply committed to discharging its obligations to society. Your Company remains committed to core Lloyd values of giving back to the society. Your Company has embarked upon a number of initiatives in this regard. I would like to mention here that the Company's commitment towards this end is pursued with our flagship initiative Pandit Kanahaya Lal Punj (PKLP) Trust, which focuses on education, health and family welfare, infrastructure development and women empowerment.

As we move towards new horizons, I draw strength from the Team Fedders Lloyd and from their dedication to take your Company to even greater glory in the coming years.

The Lloyd Group's corporate statement is, "Live the Future". This statement expresses our commitment to continuously adapt and evolve in the untiring quest of excellence and stay ahead of the curve by building a long

term plan and vision to work on all issues in a comprehensive way, where Fedders Lloyd continues to grow as a major global presence by generating consistent value bringing together all stakeholders. I am of the firm belief that your Company having been put on a strong platform is ready to devise specific strategies to meet each of the challenges and emerge much stronger. With this assured, we can look forward to a bright and prosperous future.

At technological front, the Company is putting continuous efforts in acquisition, development, assimilation, and utilization of technological knowledge for building the future.

### Appreciation

I wish to take this opportunity to express my sincere gratitude to the members of the Board of Directors for their professionalism and dedicated contribution to steer the Company towards excellence. I express our sincere thanks to the Government of India, various State Governments and relevant authorities for their continued support, guidance and confidence in the Company. My thanks are also due to our customers, suppliers, bankers, financial institutions, and all our shareholders. My special thanks and appreciation go to the employees of the Company at all levels for their hard work, dedication and continued commitment.

As I conclude, may I on behalf of the Board and the employees of your Company once again thank you, our valued shareholders, for your continued support and encouragement.

I look forward to reporting to you on our successes and progress in 2013-14.

With warm regards,

Brij Raj Punj



**Chairman & Managing Director**  
**Fedders Lloyd Corporation Limited**

Dated: November 11, 2013

Place: New Delhi



# Our Customised Engineering Solutions

## Steel Structures & Engineering Business



Automatic SAW Welding Machine



Automation through tech-welding Machine in fit up section



Boiler supporting structure for RRVUNL Chhabra project through L&T-MHI



Complete steel roofing system for Jaipur Metro



Supply & Erection of automatic shipyard door at Brazil



Complete fabrication and installation of 55m clear span Railway Over Bridge at Moradabad-Bareilly highway



Finishing of Major Bridge Structure

# Scaffolding & Form works



Lloyd safety platforms



Lloyd aluminum extrusion beam



Lloyd decking system



Lloyd conventional scaffolding system



Lloyd cup lock system



# Wind Turbine Tower, Heavy Fabrication & Machining



Inside view of the Plant at Bharuch, Gujarat



Wind Turbine Towers ready for Dispatch at Bharuch Plant



Spiral Fan Casing Assembly

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# Power Projects & Over Head Electrification



Snapshots of EHV (Extra High Voltage) Transmission Lines Projects



Snapshots of HVDS (High Voltage Distribution System) Projects



Railway Overhead Electrification