



LIVE THE FUTURE

Fedders Lloyd Corporation Limited

ANNUAL REPORT 2014-2015



“Supporting today to build tomorrow’s society”



LIVE THE FUTURE

Between the Covers

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Corporate Overview

BOARD OF DIRECTORS

Chairman & Managing Director

Mr. Brij Raj Punj

Whole Time Directors

Mr. Sham Sunder Dhawan

Mr. Nemichandra D. Jain

Independent and Non-Executive Directors

Mr. Arun Kumar Joshi

Mrs. Ritushri Sharma

Mrs. Bindu Dogra

COMPANY SECRETARY

Mrs. Purnima Sharma

CHIEF FINANCIAL OFFICER

Mr. A.A. Siddiqi

STATUTORY AUDITORS

M/s Suresh C. Mathur & Co.

Chartered Accountants, New Delhi

REGISTERED OFFICE

6 and 6/1, UPSIDC Industrial Area,
Sikanderabad, District Bulandshahr 203205, UP

CORPORATE OFFICE

159, Okhla Industrial Estate,

Phase-III, New Delhi-110020

Phone No.: +91-11-40627200/300

Fax No.: + 91-11-41609909

SHARE TRANSFER AGENT

M/s. Skyline Financial Services Private Limited

D-153/A, Ist Floor, Okhla Industrial Area,

Phase-I, New Delhi-110020

Phone No: +91-11-64732681-88

Fax No: +91-11-26812682

BANKERS

State Bank of India

Central Bank of India

Standard Chartered Bank

State Bank of Patiala

State Bank of Hyderabad

State Bank of Bikaner and Jaipur

Axis Bank Limited

Karnataka Bank Limited

ICICI Bank Limited

Export-Import Bank of India

Punjab National Bank

MANUFACTURING FACILITIES

Plot No-6 and 6/1, UPSIDC Industrial Area,
Sikanderabad, UP

C-4, Phase -II, Noida,
Distt. Gautam Budh Nagar,
UP - 201305

836, 837, Jambusar - Bharuch Road,
Village - Magnad,
Dist – Bharuch, Gujarat - 392150

Saketi Road, Industrial Area,
Kala Amb, Tehsil Nahan,
Distt.Sirmor, Himachal Pradesh

S-23 & S-24, Phase-III,
SIPCOT Industrial Complex,
Mukundarayapuram, Ranipet 632405

Plot No. 24, Sector 2, IIE Pantnagar
Distt. Udham Singh Nagar, Uttarakhand

Ind. Area, Park-2, Salempur, Mehdood,
Near SIDCUL, Haridwar, Uttarakhand

OVERSEAS SUBSIDIARY

Fedders Lloyd Trading FZE

P.O. Box 331007, Ras Al Khaimah,

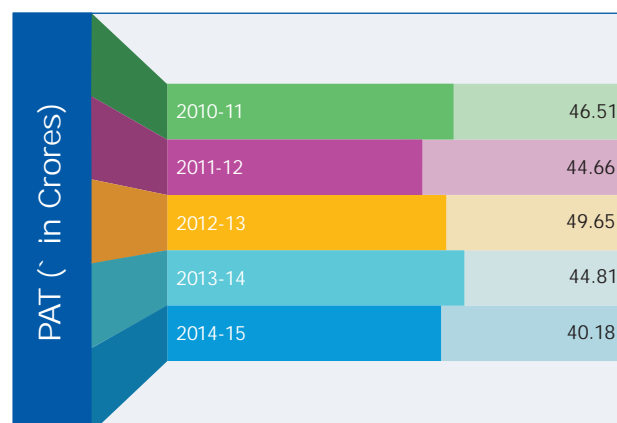
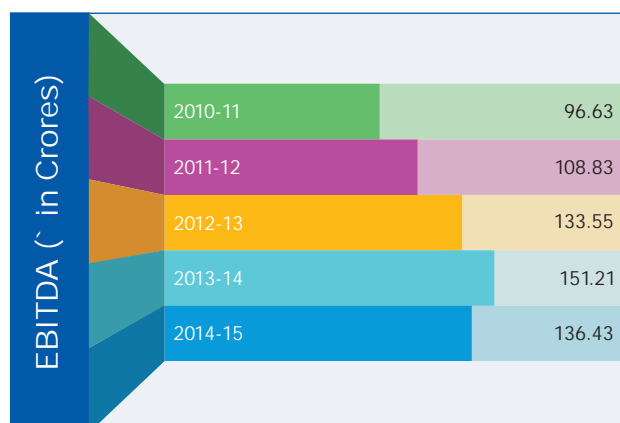
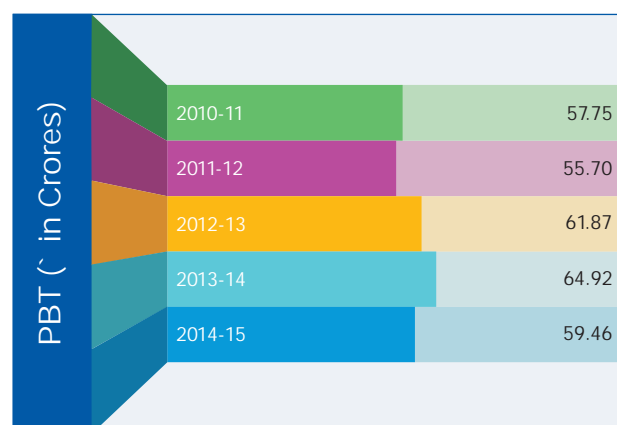
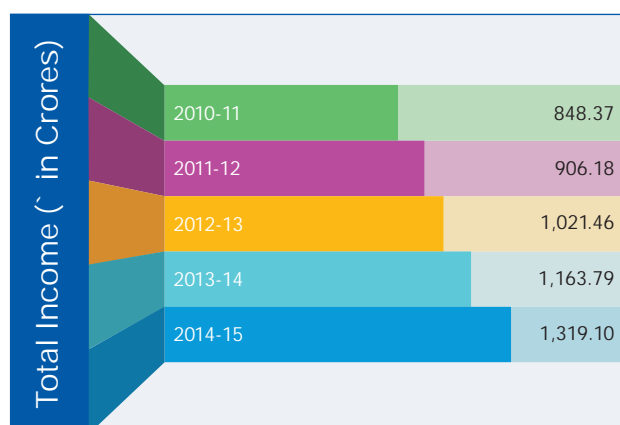
United Arab Emirates

Visit us at : www.fedderslloyd.com

Our Five Years Financial Progressions

(₹ in Crores)

Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
Total Income	1319.10	1163.79	1021.46	906.18	848.37
EBITDA	136.43	151.21	133.55	108.83	96.63
Profit Before Tax	59.46	64.92	61.87	55.70	57.75
Profit After Tax	40.18	44.81	49.65	44.66	46.51
EPS (In ₹)	13.06	14.56	16.14	14.52	15.11
Equity Share Capital	30.77	30.77	30.77	30.77	30.77
Reserve & Surplus	365.18	328.72	288.39	242.45	201.52
Total Assets	1204.07	1076.21	948.20	796.58	627.12



Words by the Chairman

Dear Fellow Shareowners,

It has been another eventful year for all of us at Fedders Lloyd Corporation Limited. With core delight and cheerfulness, it's my privilege to share with you yet another remarkable performance of the Company for the year ended 30 June 2015 and our quest for continuous improvement. The year under review has proved out to be a very challenging, exciting and a revolutionary year for the Company. Recognizing the need of the market and our valuable customers, our Company has been dedicated to initiate advanced approach so as to serve the market better.

2014-15 has been a year marked by excitement and share of challenges. The decisive political mandate accorded in the general elections set the stage for surging hopes for a rapid economic turnaround of the Indian economy. It has been a year since the leadership of Government under Prime Minister Shri Narendra Modi has come into power. Although things could have been, perhaps, a bit better, India has certainly witnessed a positive development on economic front. Yet the new Government has done well to start the process of laying a solid foundation for economic growth since May 2014. Many macro-economic indicators including the industrial data have improved during the course of the year, the journey to realize the growth potential of the economy is slow and challenging.

The fiscal year 2014-15 proved to be a year of turnaround in the Indian Economy. The year ushered an era of renewed vigour and confidence in the economy. The structural reforms initiated by the new government are bound to have substantial long term benefits impacting all industries and sectors. The government has taken several strong measures to revive both growth cycle and investor sentiments. In the initial round of its major policy initiatives, the Modi government has allowed the FDI in railways and defence sectors, complete deregulation of diesel prices and easing of FDI rules in infrastructure sector. Several other initiatives of the government, including efforts to revive stalled projects, re-schedule of premium payouts for road ventures and relaxation of environmental clearances have also alleviated some sector-specific concerns.

It is indeed satisfying that Indian economy has started looking up with India's GDP growth at 7.3% in 2014-15 as compared to 6.9% in the previous year. This has been possible with government's focus on easing the business and overall improvement in the economic climate of the country. Indian Economy has immense opportunities to grow and it is only a matter of time that this potential would be harnessed.

The Indian Economy is poised to accelerate even when the world economy is facing subdued conditions and uncertainties. Growth is expected to rebound given the political certainty, numerous positive policy measures, low commodity price and improved business confidence.



“We expect to significantly outperform in the market in which we operate”

We, at Fedders Lloyd outperform well with the three business segments pertaining to Environment Control Systems; Steel Structures & Engineering and Power Projects which are core business lines of the Company and our competitive edges.

Despite the ups and downs in the Indian Economy, the year was momentous and will be etched in the annals of Fedders Lloyd. We report another year of growth marked with profitability through net revenue of Rs.1319.10 Crores and an EBITDA of Rs.136.43 Crores during the year 2014-15. The Net Profit, however, was lower by 10.34% as compared to the preceding year due to inflationary pressure.

We have rich experience in the customized engineering solutions, which will continue to be our primary competitive strength. While we have enjoyed remarkable achievements in the last so many years, our focus remains on maintaining and accelerating this impressive growth. We aim to continue our market beating growth going forward and to streamline processes to make us more agile, more innovative and more efficient. We remain committed to building the capability of our talent to enable the best possible engagement with all our stakeholders.

"The harder the external environment turned, the more passionate our response became"

FORAY INTO SOLAR POWER BUSINESS

With a view to harness the solar energy solutions for providing sustainable energy to the society and to cater the growing requirement of solar products and systems across world, Fedders Lloyd has forayed into the 'Solar Power business' in line with the Government of India's initiatives to tap renewable energy resources as a priority sector to plug huge demand and supply gap in the country. The above initiatives of solar power business will have great synergy with the Company's existing energy businesses. Our range of activity to be undertaken through this segment is to provide Solar Products and Turnkey Solar EPC Solution to customers in India, SAARC, Middle East and African Countries for supplying various solar products such as crystalline PV modules, home & street lights etc and setting up of solar PV plants suitable for residential, industrial & commercial and utility scale MW grid feed application.

CORPORATE SOCIAL RESPONSIBILITY

Sustainability at 'Fedders Lloyd' takes many forms- engaging with our communities, being a generous Corporate Citizen and making sure that we do not deplete the environment of resources we use in making our products. Our Company's business priorities have never overshadowed its community efforts. In fact, we have always looked upon our business as an enabling force for social advancement. At Fedders Lloyd, corporate social responsibility charter prioritized support to the underprivileged in the areas of education, physical disability, employability, skill building, girl child welfare and community service for the aged and the physically/mentally challenged. The Company sustained programmes in these areas in the year 2014-15. As a continuing endeavor towards the community development, we at 'Fedders Lloyd' constantly undertake various Corporate Social Responsibility (CSR) initiatives through our charitable arm 'Pandit Kanahaya Lal Punj Trust'.

We firmly believe that sustainability has to be at the heart of our business model and will help us drive faster growth and reduce costs. We see this as a source of competitive advantage for the business now and in the years ahead.

I urge you to read the chapter on our CSR initiatives, which forms a part of this Annual Report.

OUR OUTLOOK FOR SUCCESS

In order to maximize our operational achievements, we are working towards streamlining the cost structure. We continue to focus on improving the capacity utilisation levels and

strengthening our business performance. These would help us strengthen the profitability levels and cash flows across our business verticals. Our prudent risk management approach also plays a crucial role in building our future. These are substantially backed by adherence to corporate governance principles and evolving regulatory norms that form the keystone of our organizational sustainability. We continue to enhance our productivity levels, integrate technology into our operations, remove bottlenecks and enhance our capabilities.

OUR PEOPLE

We have always believed that our growth is intrinsically linked with the growth of our people. We encourage diversity and a performance driven organisational culture in which people give their best and feel proud to be part of a successful and a caring organisation.

Success is always a team effort and at Fedders Lloyd, our teams have worked tirelessly to deliver this performance. I would like to say that your Company's employees are its greatest asset and it is entirely due to their hard work, perseverance, commitment and dedication that the Company has been able to deliver superior growth and value creation with every passing year.

APPRECIATION

The four pillars of this journey have been our customers who have always supported us and given us opportunities that have made us what we are today; our collaborators who have always ensured that we are equipped with competitive technologies; our employees who have worked relentlessly to achieve all the targets and last but not the least our shareholders who have always supported us and trusted our decision making.

Looking back at the momentous 59 years of our journey, Company's strong fundamentals, technical know-how, skill sets, well laid out systems & processes, zeal to excel and above all the unflinching commitment of each and every stakeholder to succeed, inspires us to look forward to the future with pride and confidence.

As we step into another exciting year, we look forward to crossing new milestones in 2015-16. Let me conclude by thanking all our employees, partners and other stakeholders for their unwavering support during the year and to you for your continued support as a shareholder.

Thank you,

With warm regards,



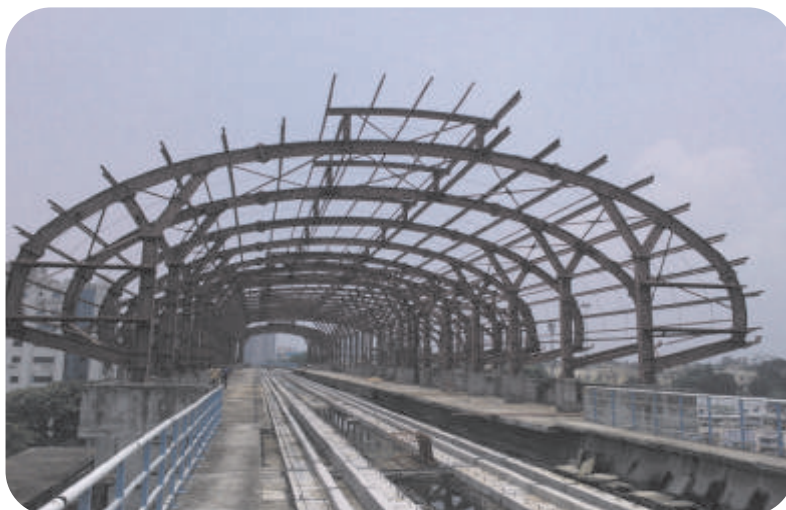
Brij Raj Punj
Chairman & Managing Director
Fedders Lloyd Corporation Limited

Business Snapshots

Steel Structures & Engineering



Workshop Bay, DMRC, Kalindi Kunj



Karunamoyee Station, Kolkata Metro Rail Corporation



Natrip-Manesar– EMC Lab Building

Wind Tower



Power Projects & Overhead Electrification



400kV Tower Erection at Allahabad



33/11kV Selaqui Substation



Overhead Electrification for Railways