

# Annual Report 2009-2010



LIVE THE FUTURE



## Lloyd Electric & Engineering Limited

# *Extending the Global Footprints*

*Acquisition 2009 in Czech Republic*

*Janka Engineering s.r.o.*

## **Core Products**

Air Handling  
Units, Oil Coolers  
& Heat  
Exchangers



*Prague - Janka Headquarters Office Building*



*Prague - Production Facility*





.... quality verified by  
years....



State-of-Art  
Manufacturing  
Facility





# *state-of-art manufacturing facilities with cutting edge technology*

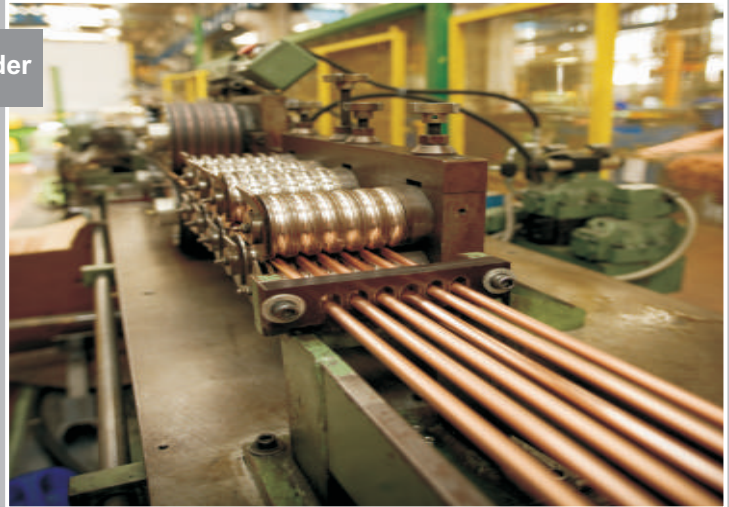


Innovation  
& Engineering

Using technology to make  
a difference to our  
customers



Hairpin bender



Finpress



Industrial Coils





# *Other Glimpses*



# BOARD OF DIRECTORS

**Brij Raj Punj**

*Chairman & Managing Director*

**A.K. Roy**

*Whole Time Director*

**Mukat B. Sharma**

*Whole Time Director cum Chief Financial Officer*

**K. Lall**

**S.K. Sharma**

**Geeta Ajit Tekchand**

**Mahesh Sreenivasan**

## REGISTERED OFFICE

A-146, (B&C), RIICO Industrial Area  
Bhiwadi Distt. Alwar, Rajasthan- 301019  
Ph: 01493-220724, 222521, 221348

## CORPORATE OFFICE

159, Okhla Industrial Estate, Phase-III,  
New Delhi- 110020  
Ph: 011-40627200-300 Fax: 011-41609909

## STATUTORY AUDITORS

M/S Suresh C. Mathur & Co.,  
Chartered Accountants,  
New Delhi

## BANKERS

State Bank of Bikaner & Jaipur  
State Bank of India  
Axis Bank  
Standard Chartered Bank  
IFCI  
IDBI Bank  
ING Vysya Bank

## SHARE TRANSFER AGENT

Skyline Financial Services Private Limited  
D-153A, Okhla Industrial Area  
Phase- I, New Delhi- 110 020  
Tel: 011-26812682, 83  
Fax: 011-26812684

**ANITA K. SHARMA**

*Company Secretary*

## MANUFACTURING PLANTS

### DOMESTIC

- |  |  |
|--|--|
| a) A-146, (B&C),<br>RIICO Industrial Area<br>Bhiwadi Distt. Alwar,<br>Rajasthan- 301 019 | c) C-1/1, Industrial Area,<br>Selakui Dehradun<br>Uttaranchal      |
| b) Industrial Area<br>Kala-Amb, Trilokpur Road,<br>Sirmour, Nahan<br>Himachal Pradesh    | d) Plot No. 24<br>Sector 2, IIE<br>Sidcul Pantnagar<br>Uttarakhand |

### OVERSEAS

(owned by subsidiary)

- |   |  |
|---|--|
| a) Lloyd Coils Europe s.r.o.<br>Prague-5, Radotin<br>Vrazska 143<br>Czech Republic<br>Postal Code 15300 | b) Janka Engineering s.r.o.<br>Vrazska 143<br>153 00 Praha 5 Radotin<br>Czech Republic |
|---|--|

### TRADING OFFICE

(owned by subsidiary)

Lloyd Electric FZE  
P.O. Box: 10559  
Ras Al Khaimah  
United Arab Emirates





## Message from the Chairman

Dear Members,

The Global economy is gradually emerging from the throes of the economic slowdown which sparked off in the last quarter of 2008 and its after effects continued well into FY 09-10. The Indian economy weathered the financial and business turmoil better than most industrialized countries, but slowdown put pressure on many business enterprises across a wide range of industries.

### Spreading the Global Footprints-Acquisition 2009

At this time last year, when the growth seemed illusionary and slowdown in ongoing expansion

initiatives, your Company stood its ground to ensure that it makes those vital investments that would enable 'Lloyd' to overcome the lows of a recessionary year, and build the platform for the future. In the quest for excellence, your Company inspite of all recessionary, went ahead and acquired 137 years old premium brand "**Janka**" of Janka Radotin a.s. , manufacturer of Air Handling Units, having its manufacturing facility in the heart of Europe- Prague- Czech republic through a Special Purpose Vehicle Janka Engineering s.r.o. With this move, your Company has acquired another leading brand well positioned in the Czech market in the field of air conditioning , Industrial cooling and heat exchangers (HVAC) thereby leading to second state-of-the-art manufacturing facility situated in Czech Republic. It was perhaps your faith and confidence, which gave us the courage to take this yet another step in achieving our goal to be a **Global Player** in HVAC (Heating, Ventilation & Air-conditioning) industry.

### Performance Improvements year-on-year

Despite the challenging market conditions in 2009, we were able to produce respectable financial results. During the year under review, Net Sales of your Company grew by 15% to ₹ 6765.16 Million and Profit after tax of ₹ 343.78 Millions registered an impressive growth of 68 % over 2008-09. Margins have registered an improvement and your Company is hopeful of sustaining the margins at the level close to this, despite of volatile commodity prices and competition. The consolidated Net sales of the Company at Group level increased to ₹ 8171.29 Million as against ₹ 7233.51 Million during the previous year. The Group recorded substantial increase in Net Profit after tax of ₹ 338.07 Million as



against ₹ 34.02 Million during the previous year, due to the strategic initiatives taken by the Subsidiary company towards cost restructuring.

On the Subsidiaries front, the FY 09-10 constituted the first completed twelve-month period of the new subsidiary, LLOYD COILS EUROPE s.r.o., Czech Republic and the legal successor of Luvata Czech s.r.o., since the date of acquisition in May 2008.

I am pleased to record that inspite of unfavourable market conditions in Europe, your Company's subsidiary, Lloyd Coils Europe, in Czech Republic witnessed a turnaround in its financial performance, largely due to sustained cost management processes. It has reported a Profit after tax of CZK 4.37 Million (equivalent to ₹ 10.40 Million) as against a loss of CZK (68.88) Million (equivalent to ₹ (163.93) Million) in the previous year. Despite the fiercely competitive market conditions, your subsidiary was able to maintain its market share with the existing customers as well as take up cooperation with new customers.

#### **Capacity Enhancement & Product Development**

Lloyd believes in staying alert to future opportunities while never letting go of its core value. This is the philosophy that has underpinned its growth over the years and one that remains its key driving force. In order to meet with the growing demand for latest technology products and to compete in the market place, a fully integrated manufacturing facility with cutting edge manufacturing technologies for air conditioners was set up in Pantnagar, Uttarakhand with backward integration of major components like Coils required in the manufacturing of air conditioning.

Your Company continues to remain focused on development of its assets viz. people and technology which have been instrumental in the Company's success so far and will play even far bigger role in achieving Company's objectives of Customer satisfaction, technology differentiation and cost leadership in the years to come.

We are committed to serving the nation through all our initiatives, while at the same time striving to maximize stakeholders value. The strong foundation of quality, productivity and manufacturing excellence built by your Company is helping us in consistent future growth. The opportunities are unlimited and your Company is capitalizing on the same towards its growth trajectory

Our Employees are our biggest assets. Their commitment has enabled your Company to succeed. I very warmly want to thank all our colleagues in Lloyd Group for their immense contribution to your Company's praiseworthy performance. I look forward to their continued commitment to your Company's reaching greater heights and enhancing shareholder value.

I am grateful to the Board of Directors for their unwavering support and guidance. I also take this opportunity to express my gratitude to all our stakeholders, who has reposed trust in us and extended their continued support.

Warm Regards



Brij Raj Punj

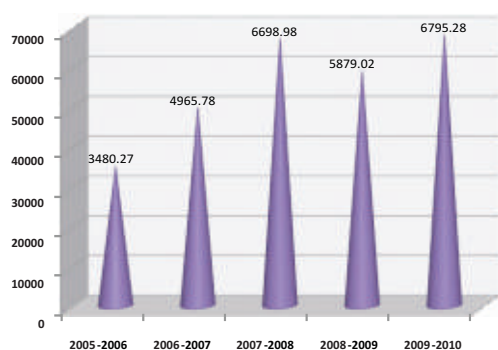
Chairman & Managing Director

# FIVE YEAR FINANCIAL HIGHLIGHTS

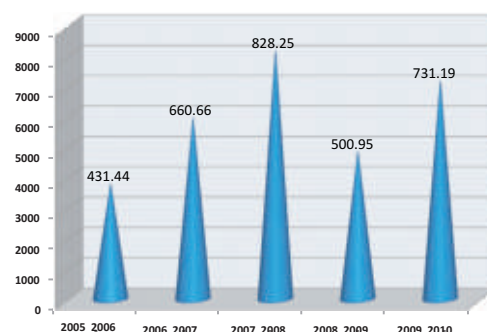
	Standalone					Consolidated	
	2009-2010	2008-2009	2007-2008	2006-2007	2005-2006	2009-2010	2008-2009
<b>Operating Results</b>							
Total Income	6795.28	5879.02	6698.98	4965.78	3480.27	8190.56	7377.93
Operating Profit (EBIDTA)	731.19	500.95	828.25	660.66	431.44	830.78	636.40
Profit After Tax	343.78	203.72	527.17	429.56	281.21	338.07	34.03
<b>Financial Position</b>							
Paid up Capital	310.07	310.07	310.07	310.06	270.03	310.07	310.07
Reserves	3711.64	3404.01	3200.28	2684.32	1917.30	3604.83	3369.22
Shareholder's fund	4021.70	3714.08	3510.35	2994.39	2187.33	3914.90	3679.29
<b>Performance Indicator</b>							
EPS	11.09	6.57	17.01	13.86	10.41	10.90	1.10

## STANDALONE

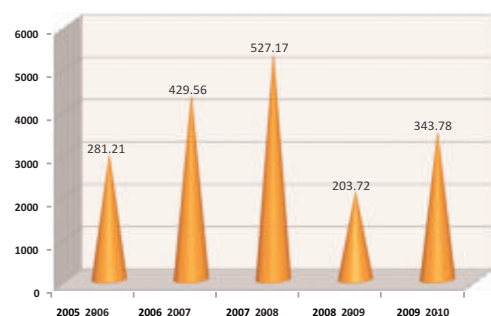
**Total Income (Rs. In Millions)**



**EBITDA (Rs. In Millions)**



**PAT (Rs. In Millions)**



**Earning Per Share (Rs.)**

