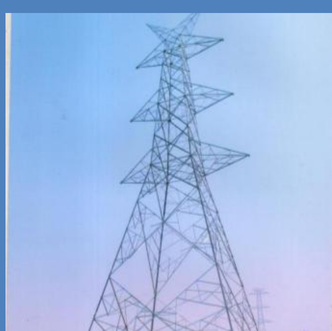


Fedders Lloyd Corporation Ltd

Investor Presentation

January 2012

Table of Contents

FEDDERS LLOYD CORPORATION LIMITED

Group Overview

Group Restructuring

Promoter Group

37.97% — **Fedders Lloyd Corporation Ltd (FLCL)**
- Environment Control Systems (ECS)
- Fabricated Structures
- Power T&D

38.05% — **Lloyd Electric & Engineering Ltd (LEEL)**
- HVAC
- Consumer appliances

100% — **Perfect Radiators & Oil Coolers Ld (PROC)**
- Radiators
- Oil coolers

Perfect Radiators to be merged with LEEL

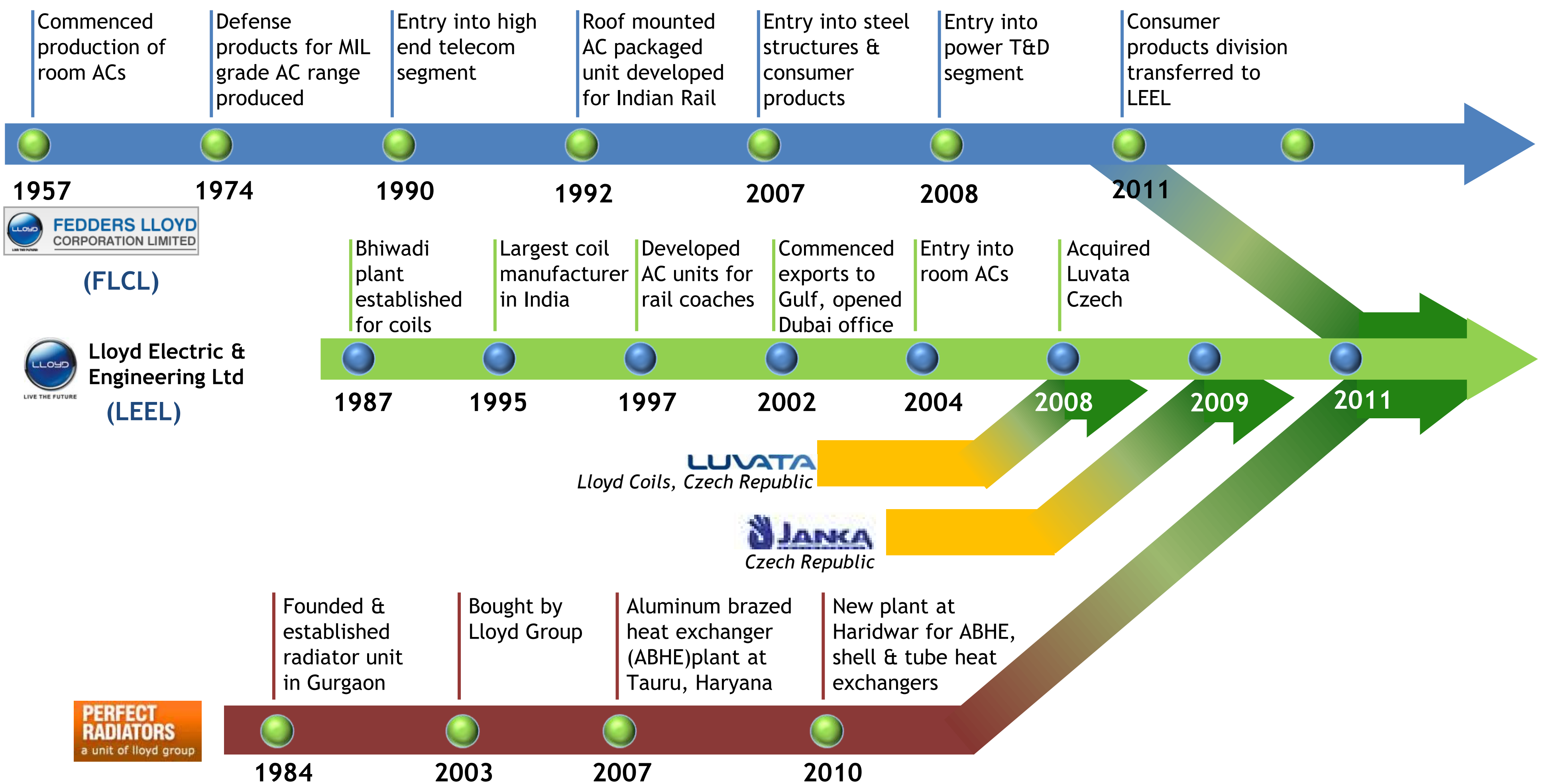
LIVE THE FUTURE

Lloyd logo & CPD distribution network to be transferred to LEEL*

*Consumer Products Division

Corporate History

FEDDERS LLOYD CORPORATION LIMITED



Company Overview

Overview

FEDDERS LLOYD CORPORATION LIMITED

Brief Introduction

- Part of the USD 500mn Lloyd Group of India
- Listed on Bombay Stock Exchange & National Stock Exchange in 1994
- Production capacity of 24,000 MT of steel structures annually (single shift basis)
- ISO 9001 certified for structural steel fabrication division
- Qualified supplier of Environmental Control Systems (ECS) products to all government defence organizations in India

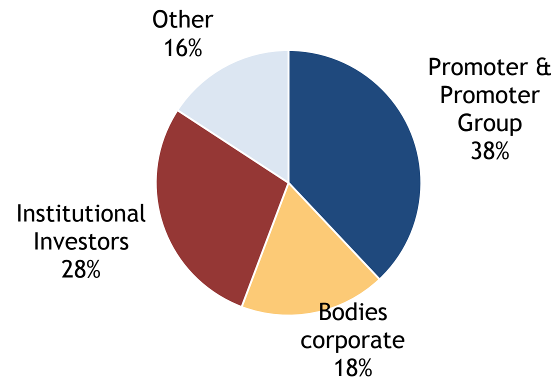
Key Business Segment

- ECS solutions for critical applications
  - ⇨ Defence applications
  - ⇨ Telecom towers
- Structural steel division - turnkey customized solutions for fabricated structures
  - ⇨ New business - fabrication of wind towers, power plant components
- Power T&D division - turnkey execution of power transmission line & substations
  - ⇨ New business - railway overhead electricfication

Key Financials (standalone) *(Rs mn)*

	FY07	FY08	FY09	FY10	FY11
Revenue	3,485	4,468	4,609	6,854	8,579
EBITDA	301	316	303	790	933
PAT	182	193	113	401	466
Net worth	1,285	1,475	1,550	1,913	2,322
Net debt	663	674	1,100	1,686	2,300

Shareholding Pattern



Business Segments

Product/Service Segment	Key Markets
ECS (Air Conditioning solutions for niche segments)	Defence, Telecom






Product/Service Segment	Key Markets
Steel Structures & Engineering	Industrial units, Civil structures, Wind energy, Railway bridges

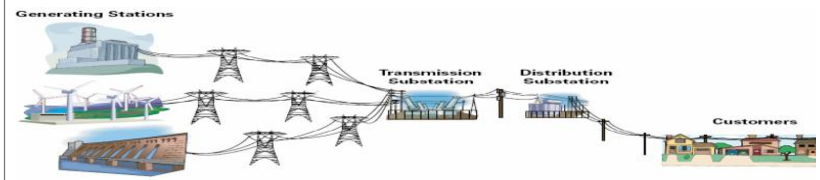





Product/Service Segment	Key Markets
Power T&D	Transmission companies, Distribution companies, Railway

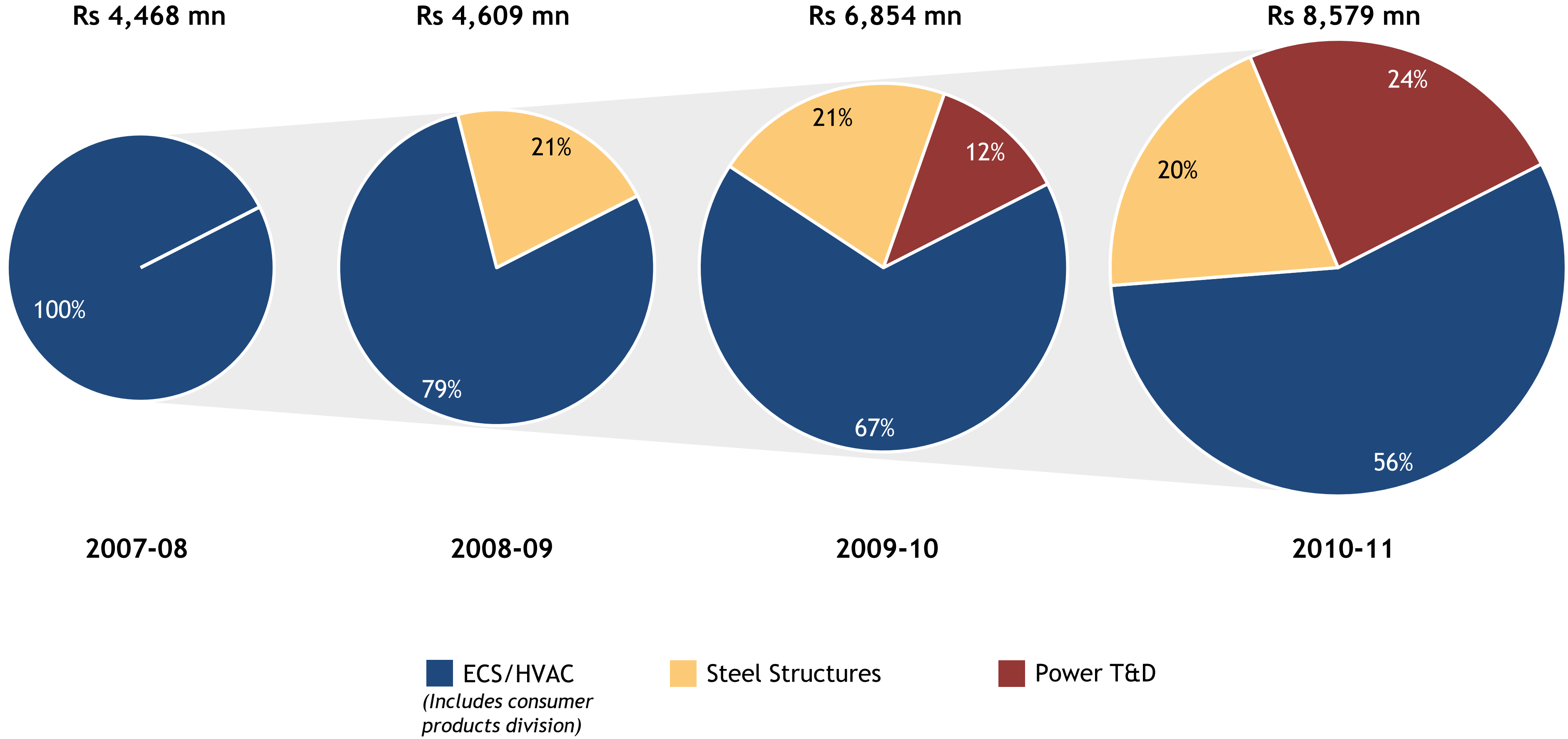






New Business Contribute a Little Less Than Half of its Revenues

Share of Business Segments in Sales



Company has successfully diversified in new high growth areas

FEDDERS LLOYD
CORPORATION LIMITED

Environmental Control Systems (ECS) Segment

Product Portfolio

Defence Segment

Ruggedised MIL grade tank AC unit for ambulance

Ruggedised MIL grade tank AC unit for armored tank

Trolley mounted packaged unit for radar applications

Ruggedised AC system for mine protected vehicle

Military graded trolley mounted ACs for aircraft hangars & troop tents

Specially designed ACs for stallion vehicles

Telecom Segment

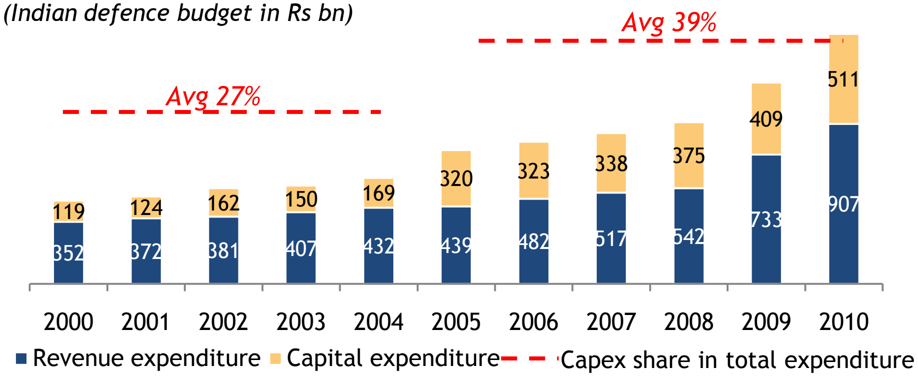
High Sensible Packaged Units

Competitive Edge & Steady Growth Offer Long Term Sustainability

FEDDERS LLOYD CORPORATION LIMITED

Share of Capex Has Risen in Total Defence Spends

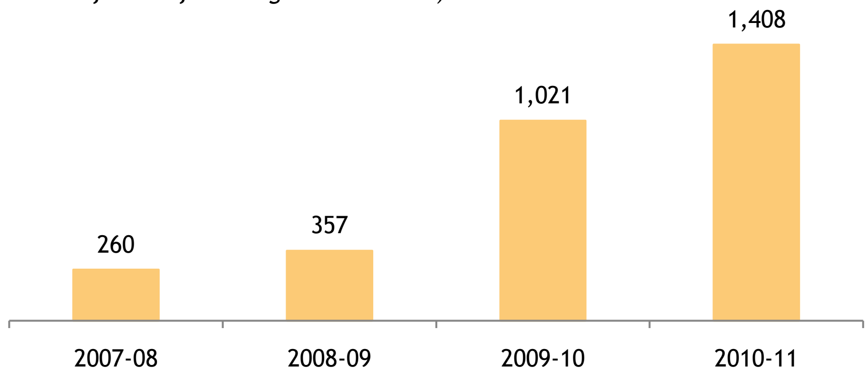
(Indian defence budget in Rs bn)



Source: Union Budget & Economic Survey

Steady Growth in Segment Revenues

(revenues from defence segment in Rs mn)



Key Business Economics

- High margin products
  - Specialized products with few established suppliers
  - Technology intensive products
- Demand driven by defence expenditure
  - Governments impetus to increase indigenous products
  - Reduction in dependence on imported products
- High R&D expenditure for developing new products
- High entry barriers due to qualification requirement and product development cycle

Key Competitive Advantages

- Ability to customize products for specific customer requirements
- Rich experience of over 20 years in building air conditioning systems for wide variety of applications
- Supplying air conditioning products to Indian defence establishments since 1974
- Approved by defence procurement/quality assurance agencies – DGQA, DGAQA, DRDO, DRDL[(1)] - a key entry barrier in the segment
- Nation wide service network in over 20 cities covering all regions

Experience plays a key role in segment where product reliability is critical

(1) DGQA: Directorate General of Quality Assurance, Ministry of Defence, GoI
DGAQA: Directorate General of Aeronautical Quality Assurance, Ministry of Defence, GoI
DRDO: Defence Research & Development Organization
DRDL: Defence Research & Development Laboratories

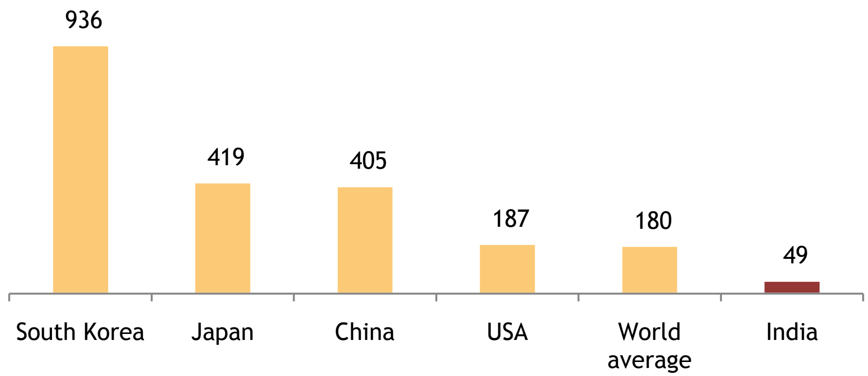
FEDDERS LLOYD
CORPORATION LIMITED

Steel Structures & Engineering Segment

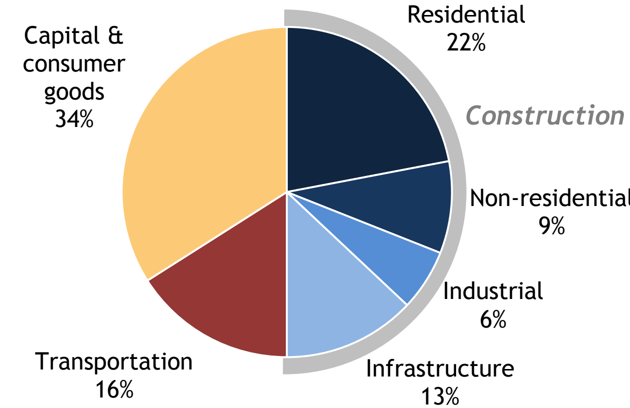
Steel Consumption in Construction – *still in the nascent stages in India*

Low Steel Consumption in India

(steel consumption per capita in kg)

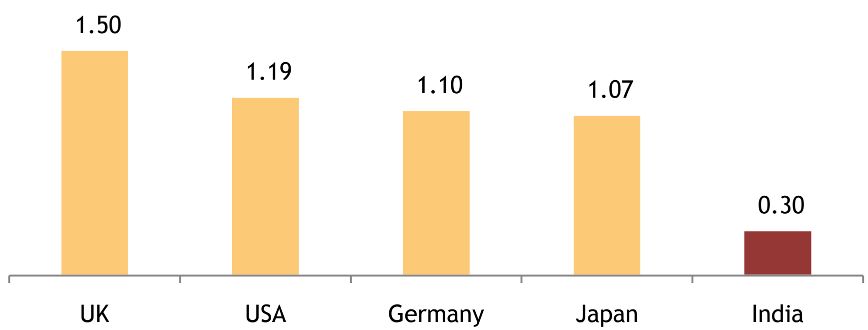


50% of Steel Consumption is Towards Construction Segment



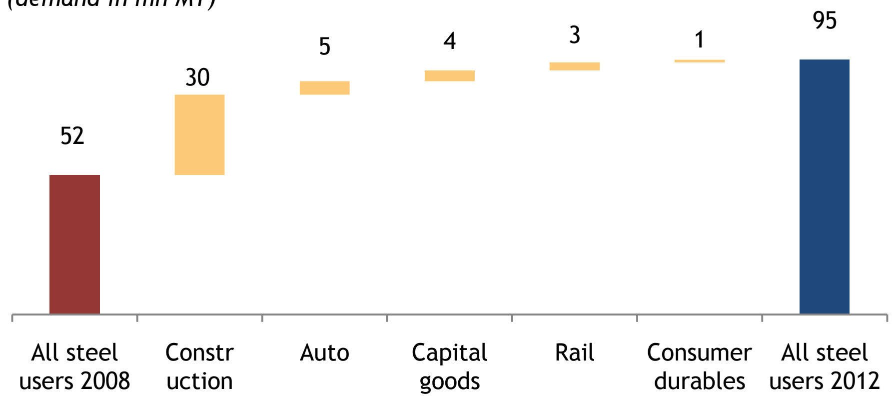
Low penetration of Steel in Construction Sector in India

(steel cement ratio in construction)



Construction Will be Largest Growth Area for Steel Demand

(demand in mn MT)



Steel consumption is expected to see significant growth especially in construction segment

Source: SAIL Chairman's speech at FICCI-INSDAG Seminar, Feb 2011; 69th OECD Steel Committee Meeting, Paris, Dec 2010

Pre-fabricated Steel Structures – *key application areas*

FEDDERS LLOYD CORPORATION LIMITED

Warehouses

Indoor/Outdoor Stadium

Rail/metro stations

Parking lot

Industrial units

Pre-fabricated buildings

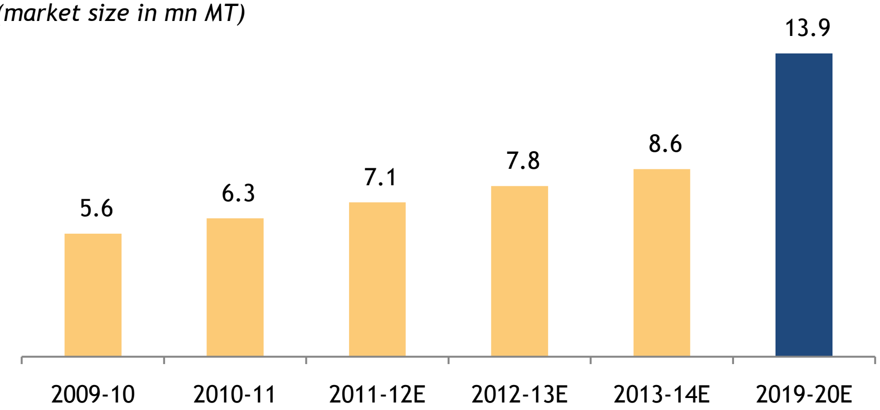
What Makes Steel Structures an Attractive Product

Key Growth Drivers

- Large investments in infrastructure space
  - ⇨ Investments in infrastructure estimated at USD 1 trillion in 12th Five Year Plan
- Capacity build-up in other industrial sectors
- Under-penetration of structural steel in construction
  - ⇨ Share of steel in building construction in India is 1% compared to 70% in UK

Market for Steel Structures Expected to Grow 10% Annually

(market size in mn MT)



Key Advantages of Steel Structures

Savings in construction time - up to 30%

high level of automation

Significant cost savings

high level of automation

Earthquake resistant centres

high strength to weight ratio

Modular installation provides flexibility

assembled and fixed using nuts & bolts

Improved design & aesthetics

steel can be bent and shaped in desired shapes

Steel structures are expected to see very high growth for next few years

Source: Deloitte, Industry estimates

FLCL Has a Diversified Product Portfolio of Steel Structures…


Star columns


Connections

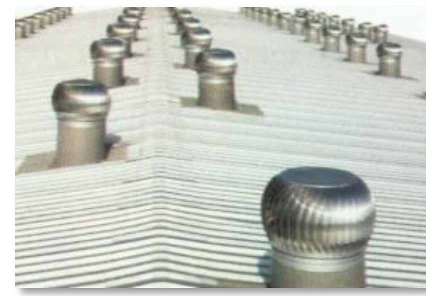

Bridge girders


Auto welded sections


Box columns & girders


Beams


Sliding doors


Turbo ventilators


Fixed louver


Window


Roof skylight


Roll-up doors

State-of-the-Art Production Facilities

Overall Capacity of 80,000 MT

Location	Capacity (MTPA)	Product
Sikandarabad	12,000	Steel structures
Haridwar	12,000	Steel structures
Pantnagar	3,000	Steel structures
Ranipet	15,000	Steel structures
Kal Amb	3,000	Scaffolding
Noida	6,000	Scaffolding
Bharuch	30,000	Wind tower

Adherence to Highest Standards of Quality


CVI
QUALITY SYSTEM CERTIFICATE
M/s Fedders Lloyd Corporation Limited
ISO 9001:2008
CONFORMANCE VERIFICATION INTERNATIONAL


CVI
QUALITY SYSTEM CERTIFICATE
Fedders Lloyd Corporation Limited.
Structural Steel Fabrication Division
ISO 9001:2008
CONFORMANCE VERIFICATION INTERNATIONAL

Fully Automated Plants & Cutting Edge Design Capabilities


CNC plate cutting machine


CNC drill machine

Band saw machine


CNC machine

Design & Detailing Expertise

- Programs such as Stadd-Pro, X-Steel, Tekla used for designing
- AutoCAD 2012 for structural drilling

Technology & Quality form the company’s mainstay in steel structures business

Marquee Client Relationships

FEDDERS LLOYD CORPORATION LIMITED

Key Clients

Government / Public Sector

दिल्ली मेट्रो रेल कॉरपोरेशन लिमिटेड
DELHI METRO RAIL CORPORATION LTD.

बी एच ई एल BHEL

भारतीय रेल INDIAN RAILWAY

DELHI 2010

Private Sector

HMEL

MHI L&T MHI Boilers Pvt. Ltd.

LANCO Always Inspiring

CETHAR VESSELS

Multinational

KSS KazStroyService

PETRON CIVIL KazStroyService Group Company

Vendor Empanelment

- Empanelled with key large clients as preferred supplier for specific products

TATA PROJECTS

TOYO INDIA TOYO ENGINEERING INDIA LTD

Military Engineering Services

Mazgaon Dock Ltd

Valuable client base & preferred status with many clients

FEDDERS LLOYD CORPORATION LIMITED

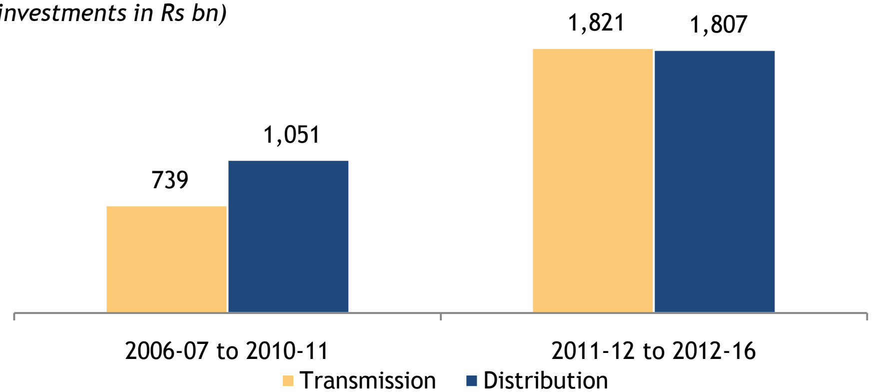
Power T&D Segment

Power T&D Expected to See Large Investments in Next Few Years

FEDDERS LLOYD CORPORATION LIMITED

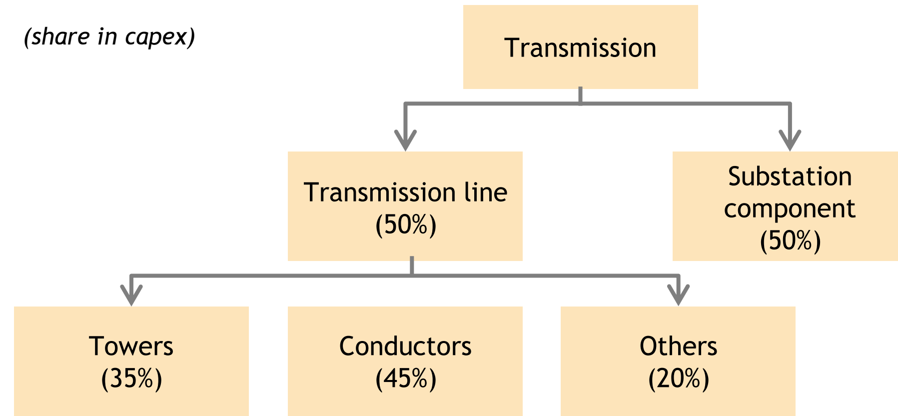
Transmission Capex in Next 5 Years Expected to Double

(investments in Rs bn)



Breakdown of Total Transmission Capex

(share in capex)



Key Growth Drivers

- Historically transmission sector is under-invested vis-à-vis generation
  - ⇨ Transmission capacity needs to catch up with generation capacity
- Capacity addition by PGCIL to augment inter-region transmission
- Investments by state transmission utilities
- Private sector investments

12th Five Year Plan Perspective

(Rs bn)	10th Plan	11th Plan	12th Plan
PGCIL capex	189	550	1,200
State capex	285	670	1,200
Private capex		180	
Total	**474**	**1,400**	**2,400**

Lag in transmission capacity vis-à-vis generation capacity has ensured the dramatic growth in transmission investments

Source: Crisil Research, CEA

FLCL - Diversified Service Offering With Focus on Power Transmission

FEDDERS LLOYD CORPORATION LIMITED

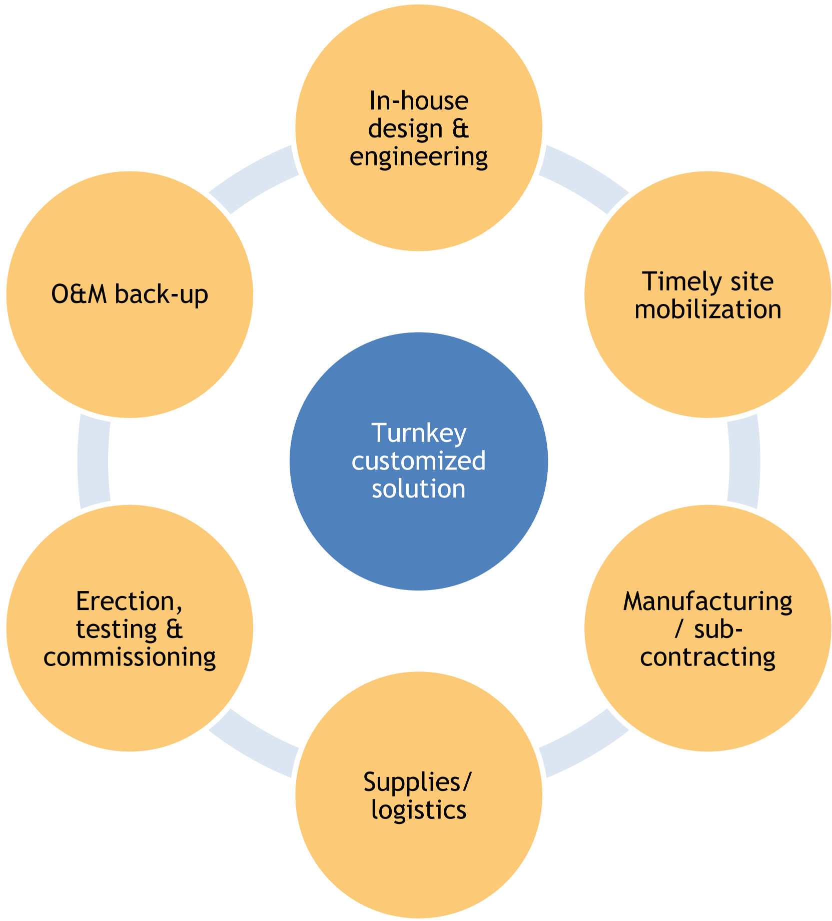
Service Offering

- Turnkey execution across entire value chain of power evacuation & delivery
  - ⇨ Transmission line projects
  - ⇨ Substation projects
  - ⇨ Distribution infrastructure
- Target clients
  - ⇨ Central utilities
  - ⇨ State transmission companies
  - ⇨ Independent power producers
  - ⇨ Private discoms

Focus Areas

- EHV transmission lines up to 765 kV
- EHV substations up to 400 kV
- Sub transmission & distribution projects
- Rural electrification projects covered under APDRP/WB-ADB funded plans
- International projects

Complete End-to-End Solution



Portfolio of Projects

FEDDERS LLOYD CORPORATION LIMITED

Domestic Projects Under Execution

Client	Project details
HVPNL -Panchkula	400 KV T/L from Jhajjar to Dhanonda
HVPNL -Panchkula	Exten order for 400 KV T/L from CLP to Jhajjar
Best, Crompton -REC-077/HVPNL	Supply of conductors, line hardware, insulators
HVPNL -Panchkula	73 Kms of 400 KV T/L Dhanonda to Dalautabad
MPPKVVCL-Jabalpur	Implementation of HVDS in MP Circle
MPMKVVCL Bhopal	Implementation of HVDS in MP Circle

Key Product/Service Areas

Transmission tower erection

Substation - erection & commissioning

FEDDERS LLOYD
CORPORATION LIMITED

New Growth Segments

Wind Towers & Precision Fabrication

Railways

Wind Towers & Precision Fabrication

New Fabrication Facility at Bharuch

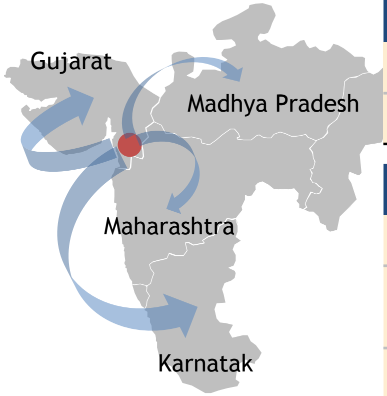
- Currently under construction to be commissioned in March 2012
- Capacity of 30,000 MT at Bharuch in Gujarat, with a capex of Rs 750 mn
- Spread over a 40 acre area
- State-of-the art fabrication shop with high end machines from Siemens & Davy
- State-of-the-art machining shop for precision machining applications

Wind Tower Manufacturing



- Capability to fabricate towers for up to 3MW turbine capacity
  - ⇨ Up to 100mn height & 270-300MT weight
- High quality standards to meet zero defect standards required
- High end machines which enable bending of metal in cold conditions

Strategically Located



Resources	
Essar Steel	Hazira, 80 km
Welspun Steel	Kandla, 350 km

Connectivity	
Rail	0.5 km - proposed Mumbai Delhi DFC
Road	2 km - Bharuch Baroda SH 12 km - NH8
Sea	32 km from Dahej Port

Other Fabrication

- Fabrication of power plant components
  - ⇨ Fabrication of stator parts for generator
  - ⇨ Machining of rotor shafts & flanges for generator
- Fabrication of pipes for petrochemical plants



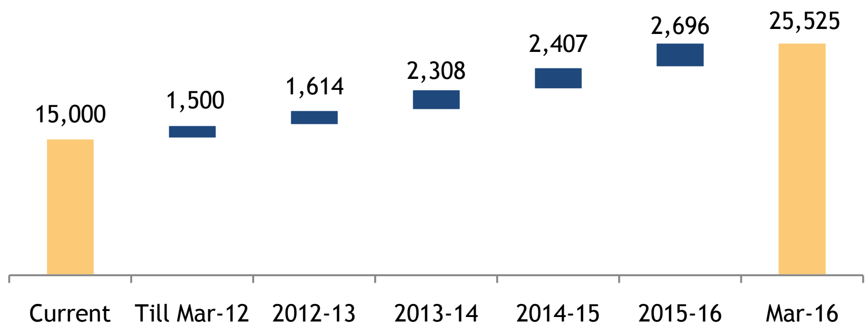
The company has successfully leveraged its skill & technology base to identify and enter new product areas

Large Market in Wind Tower, Power BTG & Petrochemical Segments

FEDDERS LLOYD CORPORATION LIMITED

Avg 2,300 MW of Wind Capacity to Add Each Year till FY16

(capacity in MW)



Fragmented Tower Capacity, High Costs

- Largest organized player Suzlon produced only 169 & 122 towers in FY09 & FY10 resp.
  - ~33% of their total supply of towers
- Most capacity based in Trichy with small scale players
  - High transportation cost to Gujarat, Maharashtra & MP
- Requirement of technically advanced towers with higher hub heigths, larger turbines
  - Resistance to swings critical for stability and turbine performance

Upcoming BTG Capacities in India (GW)

Player	Current	New	Commissioning	Location
BHEL	15	5	Dec 2012	
L&T-MHI	4	0		Gujarat
BGR-Hitachi	0	4	2013	Tamil Nadu
JSW-Toshiba	0	3 (1)	2012-13	Tamil Nadu
Bharat Forge-Alstom	0	5 (1)	Dec 2012	Gujarat
Thermax - Babcock&Wilcox	0	3 (2)	Dec 2012	Maharashtra
GB Engineering - Ansaldo	0	2 (2)	N.A.	Tamil Nadu
TOTAL	**19**	**14**		

(1) Only Turbine-Generator
(2) Only Boiler

Large Market in Gujarat from Petrochemicals Sector

- Share in India's production 51% of chemicals, 62% of petrochemicals
- 8 chemical product clusters, 3 chemical & petrochemicals SEZs
- Gujarat Petroleum, Chemicals & Petrochemicals Investment Region (**PCPIR**) in Bharuch
  - Spread of 453 sqkm , houses a multi-product SEZ
- 11 existing chemical/petrochemical units in PCPIR
- Proposed investment of USD 3.2 bn by PSUs
- Projects under implementation - USD 5.7bn in PCPIR, USD 4.1bn in Dahej SEZ

Source: Gujarat Industrial Development Corporation

Source: Crisil

FEDDERS LLOYD CORPORATION LIMITED

New Growth Segments

Wind Towers & Precision Fabrication

Railways

Prepared to Tap The Large Opportunity in Railways

FEDDERS LLOYD CORPORATION LIMITED

Key Product/Service Areas for FLCL

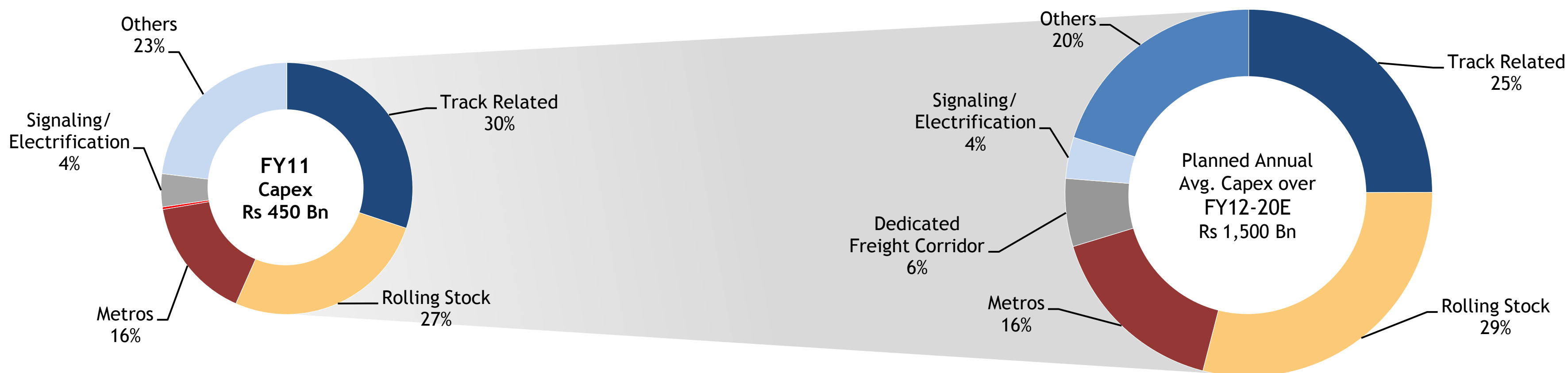
Railway Overhead Electrification	• Steel structures • Erection & commissioning on turnkey basis
Signaling	• Railway signaling systems on a turnkey basis
Tracks	• Earth laying on a turnkey bases

Indian Railways Capex Program is Key Growth Driver

- Capex of Rs 3,600 bn to happen towards tracks, signalling & electrification from 2012-13 to 2019-20
  - S&T - Rs 353 bn
  - Electrification - Rs 116 bn
  - Track related - Rs 3,131 bn
    - New tracks - Rs 1,705 bn
    - Track renewal - Rs 664 bn
    - Doubling - Rs 440 bn
    - Gauge conversion - Rs 322 bn

Note: VISION 2020 , Indian Railways; Estimates

Annual Average Capex Planned Over FY12 - FY20 of Rs 1,500bn



Note: VISION 2020 , Indian Railways; Estimates

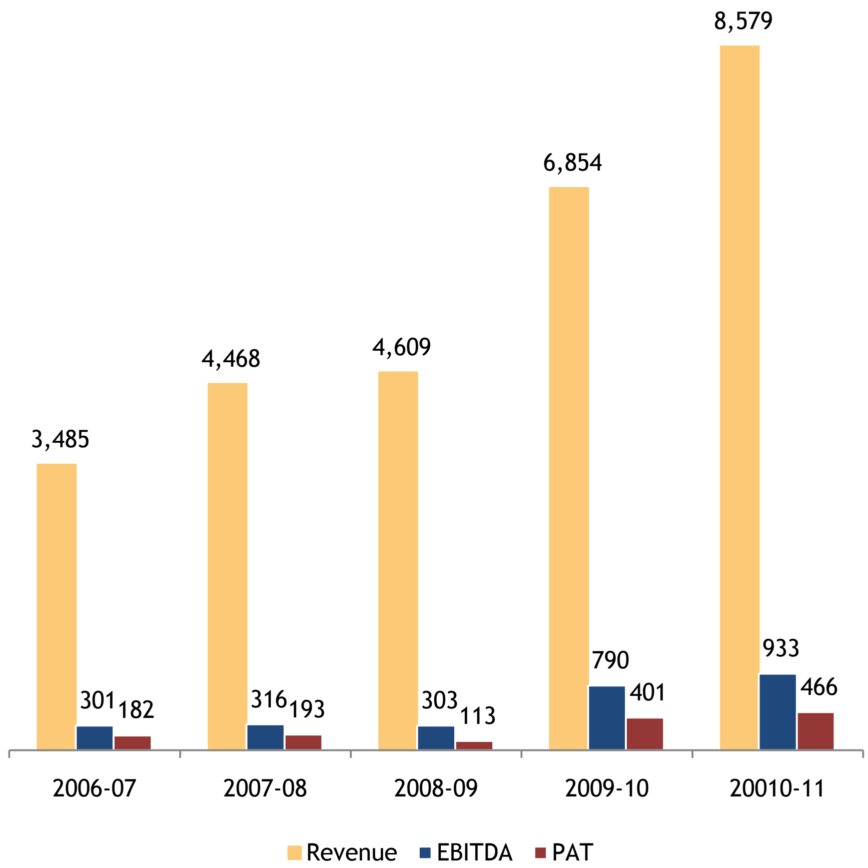
Financial Overview

Key Financials – *Income Statement*

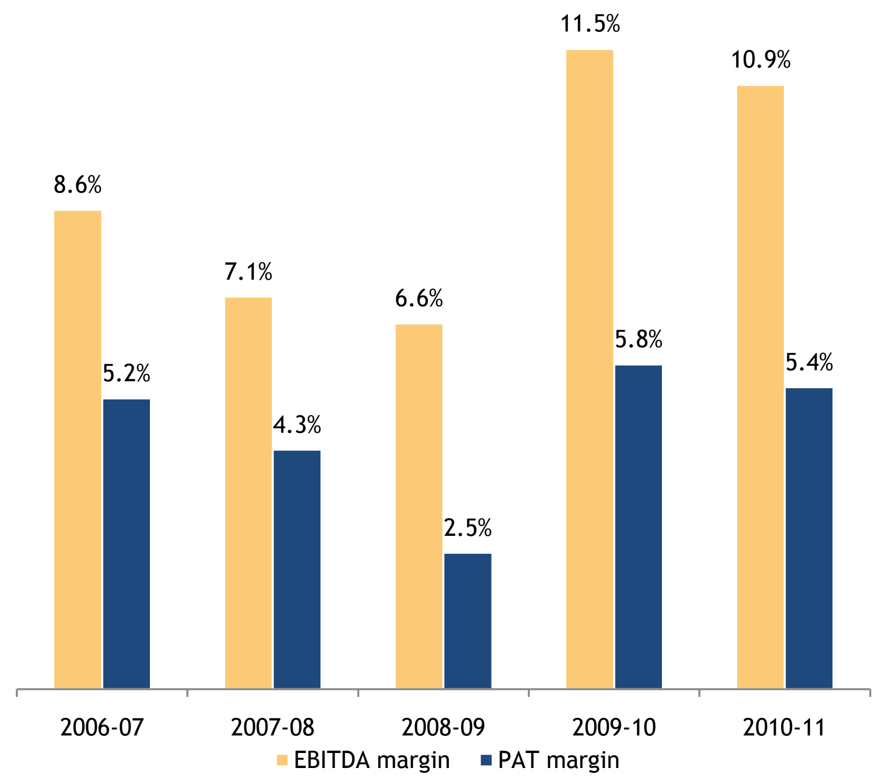
FEDDERS LLOYD CORPORATION LIMITED

Steady Growth in Topline…

(Rs mn)



…Supported by Improving Margins From New Margin Businesses



Key Financials - *Balance Sheet (standalone)*

FEDDERS LLOYD CORPORATION LIMITED

(Rs mn)	2006-07	2007-08	2008-09	2009-10	2010-11
SOURCES OF FUNDS					
Shareholders' Funds	1,285	1,475	1,550	1,913	2,323
Debt	694	749	1,164	1,846	2,793
Deferred Tax Liability	17	6	15	25	11
TOTAL	1,996	**2,230**	**2,729**	**3,785**	**5,127**
APPLICATION OF FUNDS					
Net Fixed Assets (with CWIP)	570	604	985	1,103	1,571
Net Current Assets (ex-cash)	1,374	1,529	1,662	2,506	3,047
Cash	31	75	64	160	493
Others	21	23	19	16	13
TOTAL	1,996	**2,230**	**2,729**	**3,785**	**5,127**

Disclaimer

This presentation has been prepared by Fedders Lloyd Corporation Ltd (the "Company") and is being furnished to you, the recipient, solely for your information and may not be reproduced, delivered or transmitted (in whole or in part), directly or indirectly, by any means to any other person in any manner. No independent verification has been made of any information provided in the document.

Certain statements in this presentation may not be based on historical financial information or facts and are or may be "forward-looking statements". These statements are based on current expectations and assumptions and are based on currently available information. Actual results are subject to a number of risks and uncertainties, which could cause the Company's actual performance to differ materially from those anticipated, including future changes or developments in the Company's business, its competitive environment and political, economic, legal and social conditions. Any reference to past performance should not be taken as an indication of future performance. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in the Company's securities should not place undue reliance on these forward-looking statements. The information contained in this presentation is only current as of its date. The Company may alter, modify or otherwise change in any manner the content of this presentation, and the Company does not intend or assume any obligation to update any of these statements.

This presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. This presentation does not constitute an offer or invitation to purchase or subscribe for any securities of the Company by any person in any jurisdiction. No part of this presentation should form the basis of or be relied upon in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities.

By attending this presentation, you acknowledge that you will be solely responsible for your own assessment of the market and the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of potential future performance of the business of the Company

FEDDERS LLOYD
CORPORATION LIMITED

Thank You