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# FEDDERS LLOYD CORPORATION LTD.

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**April 16, 2012**

**Listing Department**
**The Bombay Stock Exchange Ltd.**
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001
Fax No.: 022-2272 2037/39/41

Scrip Code: 500139

**Listing Department**
**National Stock Exchange of India Ltd.**
"Exchange Plaza"
Bandra-Kurla Complex, Bandra (E)
Mumbai 400 051
Fax No.: 022-2659 8237/38

NSE Symbol: FEDDERLOYD

**Sub: Grand Opening and Inauguration of Wind Tower manufacturing facility at Bharuch, Gujarat by Hon'ble Chief Minister of Gujarat, Shri Narendra Modi**

Dear Sir,

We are pleased to inform the Exchange that Fedders Lloyd Corporation Limited has achieved yet another milestone with establishing integrated state-of-the-art manufacturing facility for manufacture of Wind Turbine Towers and Heavy Precision Fabrication and machining facility in Bharuch District, Gujarat. The new facility was inaugurated on April 13, 2012 by the Hon'ble Chief Minister of Gujarat, Shri Narendra Modi in the presence of guest of honour, Hon'ble Minister, Forest & Environment, Gujarat, Shri Kiritsinh Rana and Mr. Brij Raj Punj, Chairman & Managing Director of the Company.

We are enclosing herewith News Release in this regard, for your reference and record.

Thanking you
Yours truly,
For **Fedders Lloyd Corporation Limited**

**Purnima Sharma**
**Company Secretary**

*Enclosure: as above*

**News Release**

**Fedders Lloyd Celebrates Grand opening of its Wind Tower manufacturing facility at Bharuch, Gujarat- " Inauguration by Hon'ble Chief Minister of Gujarat, Shri Narendra Modi"**

Fedders Lloyd, part of 'Lloyd Group', announces a major milestone forward in the Company's presence in the State of Gujarat with a grand inauguration of its integrated state of art manufacturing facility for manufacture of Wind Turbine Towers and Heavy Precision Fabrication and machining facility in Bharuch District, Gujarat. The new facility was inaugurated on 13th April'12 by the Hon'ble Chief Minister of Gujarat, Shri Narendra Modi in the presence of guest of honour, Hon'ble Minister, Forest & Environment, Gujarat, Shri Kiritsinh Rana and Mr. Brij Raj Punj, Chairman & Managing Director of Fedders Lloyd Corporation Ltd..

The estimated project cost is Rs. 200 crores which the Company plans to invest in phases. The plant is spread over a sprawling area of 38 acres with the built up area of over 300,000 sq. ft. and space enough for aggressive expansion plans. The plant has been set-up in a record time of 9 months with an initial annual production capacity to manufacture upto 250 nos. of Wind Turbine Towers upto 3 MW and Heavy Precision Fabrication of components upto 80 MT weight and is one of the biggest Precision Machine Shop equipped with floor boring (21 mtrs travel) & vertical turret lathe (8.5 Mtrs diameter) sourced from UK & USA. The new facility is equipped with high end CNC plate cutting & CNC plate rolling machine (75 mm thick) imported from Germany & Italy and the facility is designed to meet with international specifications and produce components meeting with highest world-wide quality standards. The Company plans to roll out its first tower by this month end and will cater to wind -turbine manufacturers in India and abroad, offering better cost benefits and providing supply-chain certainty. The main potential customers include GE, Siemens, Gamesa, Vestas, Inox & Kenersys.

Speaking on the Occasion, Mr. Brij Raj Punj, Chairman & Managing Director of Fedders Lloyd, said: "It is a great honour for me to be here and Lloyd Group is proud of this moment. Renewal energy represents the next big frontier in the technology industry and wind power is one of the fastest growing energy sources in the world. Our new facility is a testament to Fedders Lloyd's commitment to contribute towards India's Growing Energy revolution and empowered nation. This would not have been possible without the visionary policies and support from Gujarat state and central governments, as well as the regulatory authorities and nodal agencies."

For Fedders Lloyd Corporation Ltd.

Company Secretary

Capitalising on its location in Bharuch District, Gujarat, the facility is ideally placed to serve the growing energy needs of India's booming economy.

The **BR Punj 'Lloyd Group'** , a diversified conglomerate has taken up the restructuring plan for preparing a long term business strategy for enhancing the shareholders' value, which has been conceptualized, based on the advisory of IDFC Ltd. by virtue of which its flagship Company, **Fedders Lloyd** will continue to focus on executing turnkey projects in the area of Infrastructural Development; Power Sector, including distribution and transmission of power and sub-stations in India ; and manufacture of Wind Turbine Towers & Heavy Precision fabrications as well as supply of Environmental Control Systems for industrial and customized application. Recently, Fedders Lloyd has assigned its intangibles rights in its logo 'Lloyd' with respect to its Retail segment of consumer durable goods to its group company, Lloyd Electric & Engineering Ltd. at a total consideration of approx. Rs. 14 crores arrived by independent valuer Ernst & Young. The other restructuring plan includes merging of the 'Heat Exchangers businesses' of its group company, Perfect Radiators with its listed group entity **Lloyd Electric & Engineering Ltd,** subject to all requisites approvals. The Valuation of the heat exchangers business of Perfect Radiators proposed to be demerged has been valued by Ernst & Young at Rs. 36 crores, and Valuation of per equity share of Lloyd Electric has been valued at Rs. 84 per equity share of Rs. 10/- each. Basis, the valuation report of Ernst & Young, the share swap ratio has been fixed at 54:100 i.e. 54 equity shares of Lloyd Electric shall be issued for every 100 equity shares held in Perfect Radiator. The Rationale behind demerger of businesses is with a view to add significant value by integrating and consolidating the heat exchangers business globally. The shareholders will benefit not only from unlocking of value of the Heat Exchangers businesses embedded within Lloyd Group but also from the future value creation of Lloyd Electric.

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About Fedders Lloyd:

Established in 1957, Fedders Lloyd Corporation Ltd, a BR Punj group of companies, a pioneer in Air-conditioning industry is engaged in executing turnkey projects in the areas of **Infrastructure**, involving manufacturing, engineering, designing of Steel Structures for power plants, refineries, railways, pre-engineered buildings; **Energy sector** comprising of distribution and transmission of power and sub-stations, manufacture and supply of towers for Wind Turbines; as well as **Environmental Control Systems** for industrial and customized applications. Its manufacturing facilities are located at Noida and Sikandrabad in U.P.; Kala-amb in Himachal Pradesh; Pantnagar and Haridwar in Uttarkhand and at

For Fedders Lloyd Corporation Ltd.

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Chennai in Tamil Nadu. The Company has established itself as a Global player executing turnkey projects for infrastructure development as its niche area and to distinguish itself from Retail business of Consumer Durable Goods, it has recently assigned intangible rights, title and interest in the registered trade logo 'Lloyd' with respect to the Retail segment of Consumer Durable Goods to its associate company, Lloyd Electric & Engineering Limited for a total consideration of approx. Rs. 14 crores. The re-structuring aimed at above, would reap the benefits of operational synergies and enhance shareholders' value.

## Disclaimer:

*Some of the statements in this document, except for the historical information, may be 'forward looking statements'. These forward looking statements include references to growth projections, plans, strategies, intentions and beliefs concerning our business and operating environment. There are risks, uncertainties and other factors that may cause actual results to differ materially from those projected by these forward looking statements. These risks include, but are not limited to, the level of market demand for the company's services, competitive environment in the company's operating area, market conditions, the company's ability to grow its existing businesses and to create, acquire and build new businesses, ability to attract, recruit and retain qualified and highly skilled employees, change in technology, regulatory policy changes, currency fluctuations and market conditions in India and elsewhere around the world. These statements are based on information currently available to us, and we assume no obligation to update these statements to reflect changed circumstances in future.*

For Fedders Lloyd Corporation Ltd.

Company Secretary