



Investor Presentation

Q3 & 9MFY11 Results

December 2010



Important Notice

Some of the statements in this presentation that are not historical facts are forward looking statements. These forward-looking statements include our financial and growth projections as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate.

These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to industry.

Further, this presentation may make references to reports and publications available in the public domain. Shriram EPC Ltd. makes no representation as to their accuracy or that the company subscribes to those views / findings.



Financial Results & Operating Highlights

Q3 & 9MFY11



Financial highlights – 9MFY11

- **9MFY11 Net Sales at ₹8,251.1 million vs ₹6,299.3 million in 9MFY10 – growth of 31%.**
- **9MFY11 EBITDA at ₹1,085.8 million vs ₹633.9 million in 9MFY10 – growth of 71%.**
- **9MFY11 PAT at ₹548.8 million vs ₹245.6 million in 9MFY10 – growth of 123% ; PAT includes an exceptional item of ₹233.6 million arising on account of sale of stake in an Associate Company.**
- **9MFY11 EPS (Basic) of ₹12.48 per share vs. ₹5.64 per share in 9MFY10.**
- **Standalone Order book of ₹27.94 billion on 31st December 2010.**

Financial highlights – Q3FY11

- Q3FY11 Net Sales at ₹2,771.2 million vs ₹2,382.9 million in Q3FY10 – growth of 16%.
- Q3FY11 EBITDA at ₹388.5 million vs ₹247.6 million in Q3FY10 – growth of 57%.
- Q3FY11 PAT at ₹88.0 million vs ₹74.4 million in Q3FY10 – growth of 18%
- Q3FY11 EPS (Basic) of ₹2.00 per share vs. ₹1.71 per share in Q3FY10.
- Standalone Order book of ₹27.94 billion on 31st December 2010.

9M FY11 Financial Overview

₹ Million

Income Statement	Standalone		
	9MFY11	9MFY10	Percentage Change
Sales & Services Income	8,251.11	6,299.27	30.99%
Other Operating Income	137.68	59.52	131.33%
Income from Operations	8,388.79	6,358.79	31.92%
Direct Expenditure	7,302.96	5,724.92	27.56%
EBITDA	1,085.83	633.87	71.30%
Depreciation & Amortisation	96.44	71.17	35.51%
EBIT	989.39	562.70	75.83%
Other Income	47.69	17.80	167.97%
Interest (net)	561.37	235.86	138.01%
Exceptional Items	233.63	-	100%
EBT	709.34	344.64	105.82%
Provision for tax	160.52	99.07	62.02%
Net Income	548.81	245.56	123.49%

Q3 FY11 Financial Overview

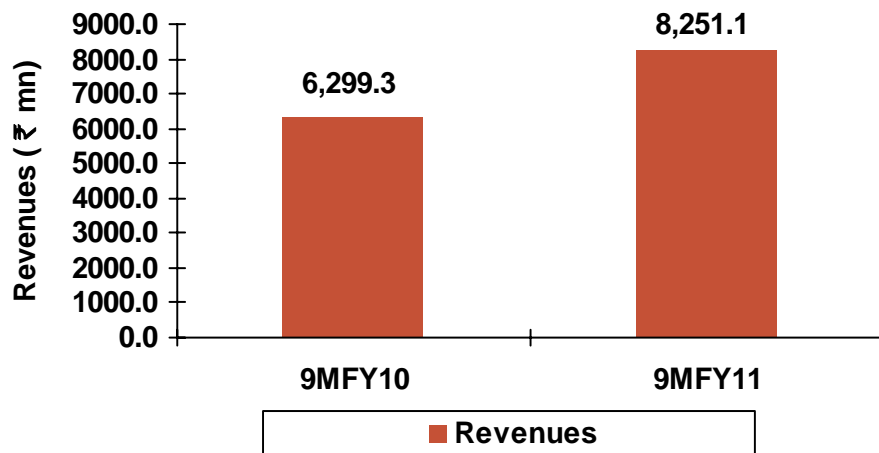
₹ Million

Income Statement	Standalone		
	Oct - Dec, 2010	Oct - Dec, 2009	Percentage Change
Sales & Services Income	2,771.18	2,382.93	16.29%
Other Operating Income	26.82	21.02	27.58%
Income from Operations	2,798.00	2,403.96	16.39%
Direct Expenditure	2,409.48	2,156.35	11.74%
EBITDA	388.51	247.60	56.91%
Depreciation & Amortisation	36.39	28.61	27.22%
EBIT	352.12	219.00	60.79%
Other Income	25.14	0.83	2947.52%
Interest (net)	244.53	110.01	122.28%
EBT	132.73	109.81	20.87%
Provision for tax	44.68	35.36	26.35%
Net Income	88.05	74.45	18.27%

Revenues & EBITDA

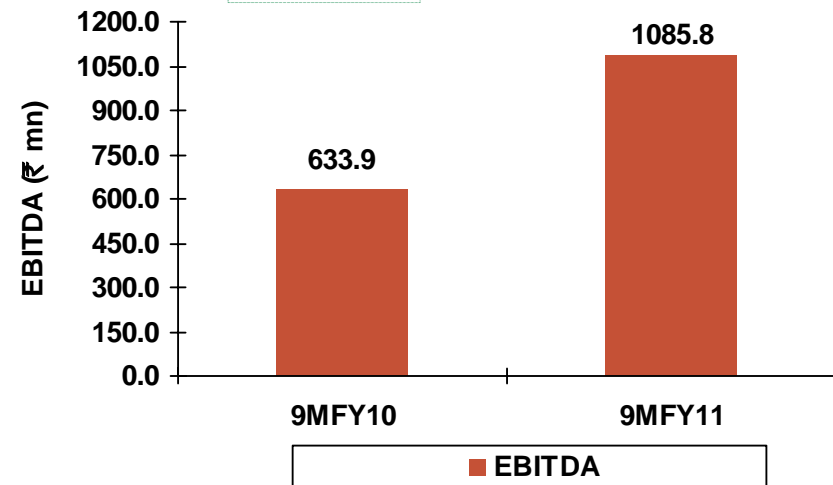
Net Sales

↑ 31.0%



EBITDA

↑ 71.3%



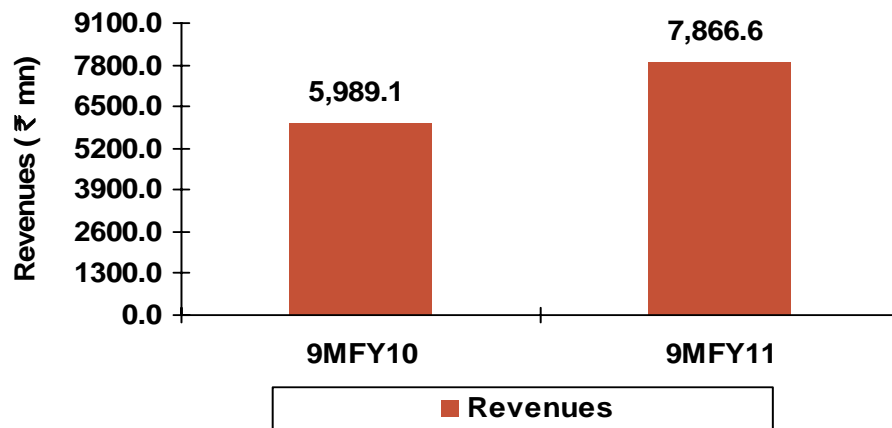
- Robust growth in revenues.
- Emphasis on profitable growth – revenue growth achieved with focus on margin expansion.
- Strong visibility going forward – healthy growth in Order backlog

- EBITDA growth driven by expansion in revenues.
- EBITDA margin improves over same period last year.
- EPC margins are project variable and the pattern of EPC projects will impact EBITDA margins.

EPC Segment

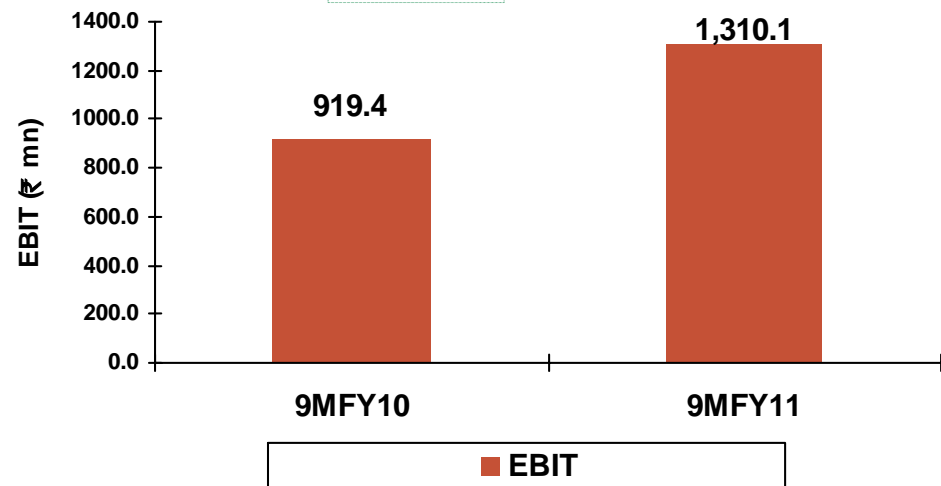
EPC - Revenues

↑ 31.3%



EPC - EBIT

↑ 42.5%



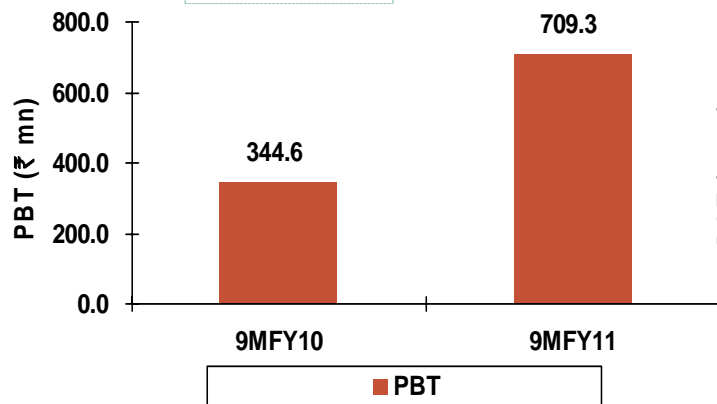
- Healthy traction across all business lines.
- Process and Metallurgy vertical is the key contributor during the quarter.
- Biomass and Municipal Services verticals contribute to overall turnover as well as profitability.

- EBIT growth attributable to volume growth and business mix.
- EBIT margins are variable from project-to-project.
- EBIT outlook strong – capacity expansion in place, order pipeline continues to be healthy and further improvement visible.

Profitability

PBT

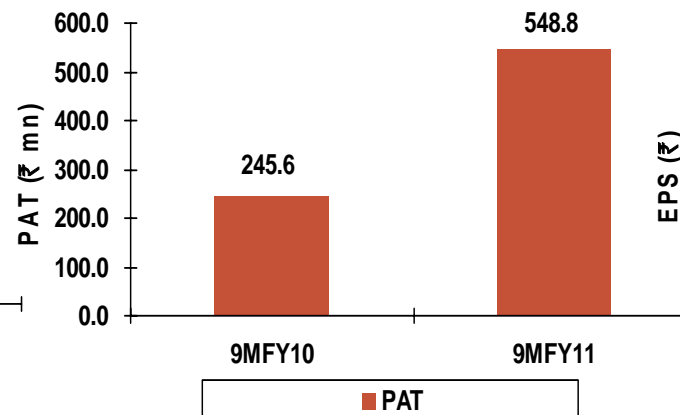
↑ 105.8%



- PBT expanded on the back of revenue growth. Also includes profit on sale of investment during Q1FY11.
- Depreciation expands by 35.5% - attributable to installation of MW Class wind turbines.
- Interest cost higher on account of increased borrowings.

PAT

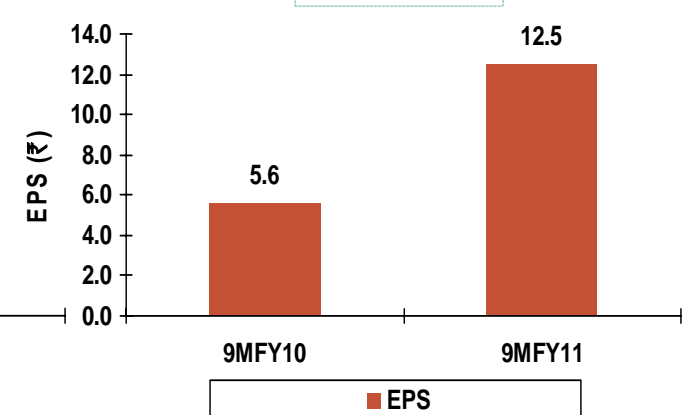
↑ 123.5%



- PAT includes a one time gain of Rs. 233.6 (gross of tax) arising on account of sale of stake in an Associate Company.
- Robust growth in PAT when compared to the same period last year.
- Company to focus further on margin improvement in addition to overall growth.

EPS

↑ 121.3%



- Minor dilution in equity due to ESOPs.
- EPS outlook robust – in line with continued growth in PAT.

Operating Highlights

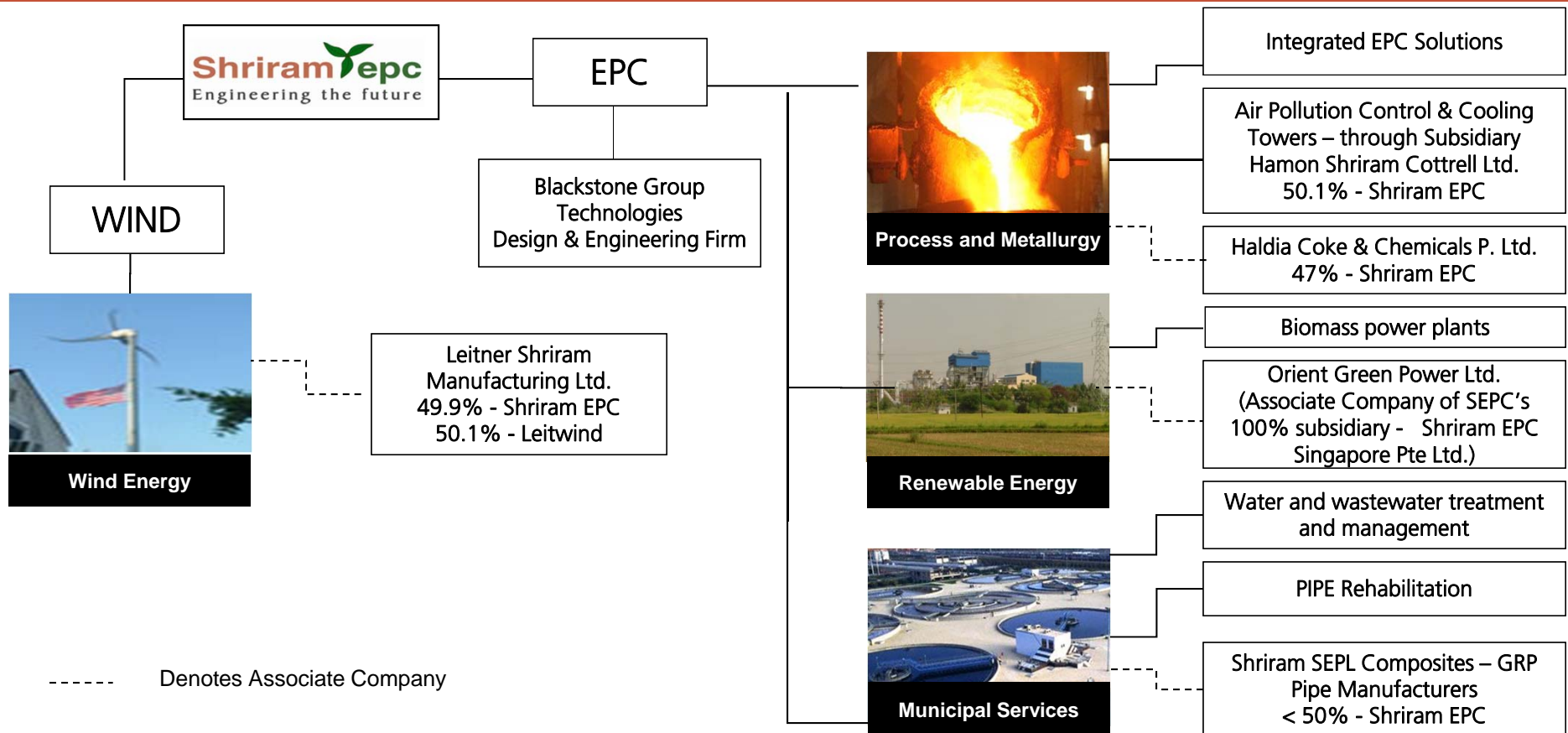
- The Standalone order book was at ₹27.94 billion on December 31, 2010 as compared to ₹24.91 billion as on September 30, 2010.
- During the quarter the Company received the following major orders:
 - from SAIL for their Durgapur Steel Plant pertaining to de-bottlenecking of a coal handling plant. The value of the order is ₹68 crore.
 - An 80MW captive power plant project amounting to ₹354 crore.
 - from Orient Eco Energy Ltd. for setting up 7.5MW Chicken Litter based power project at Namakkal. The value of the order is ₹38 crore.
 - from Corporation of Cochin for setting up a water treatment plant. The value of the order is ₹14 crore.
 - from Tamil Nadu Water Supply & Drainage Board (TWAD) – Madurai for UGSS. The value of the order is ₹11 crore.
- Shriram EPC associate company Orient Green Power Company Ltd. (OGPL) listed its equity shares on both the BSE and NSE exchanges on 8th October, 2010.
- During the first nine months, Shriram EPC sold its entire investments in Ennore Coke Ltd to Haldia Coke & Chemicals Pvt. Ltd. The profit on this sale (₹2,336.28 lakhs) is disclosed as an exceptional item. The Company has invested ₹4,003.05 lakhs in Haldia Coke & Chemicals Pvt. Ltd. for a 47% equity stake.



Shriram EPC – Overview



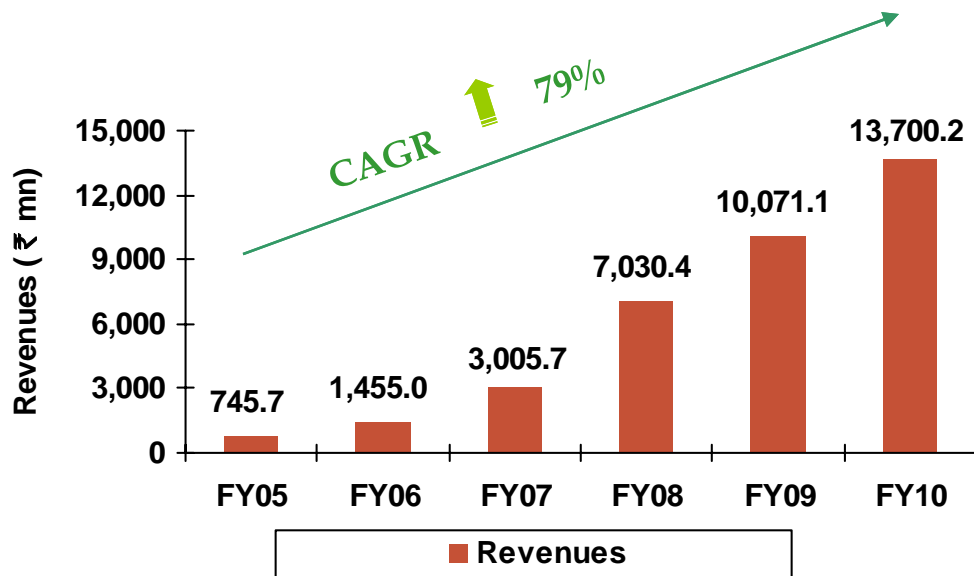
Who we are ...



- Leading provider of integrated EPC services for Renewable Energy, Process and Metallurgy Plants and Municipal Services.
- Project experience and footprint across 16 states in India, and internationally in Zambia and France.
- Leading manufacturer of MW Class & KW Class Wind Turbine Generators through JV Co - Leitner Shriram Manufacturing Ltd.
- Leading Producer of Met Coke through Associate Co. – Haldia Coke and Chemicals Pvt. Ltd.
- Leading Manufacturer of Cooling Towers / Air Pollution Control Equipment through JV Co. - Hamon Shriram Cottrell Ltd.

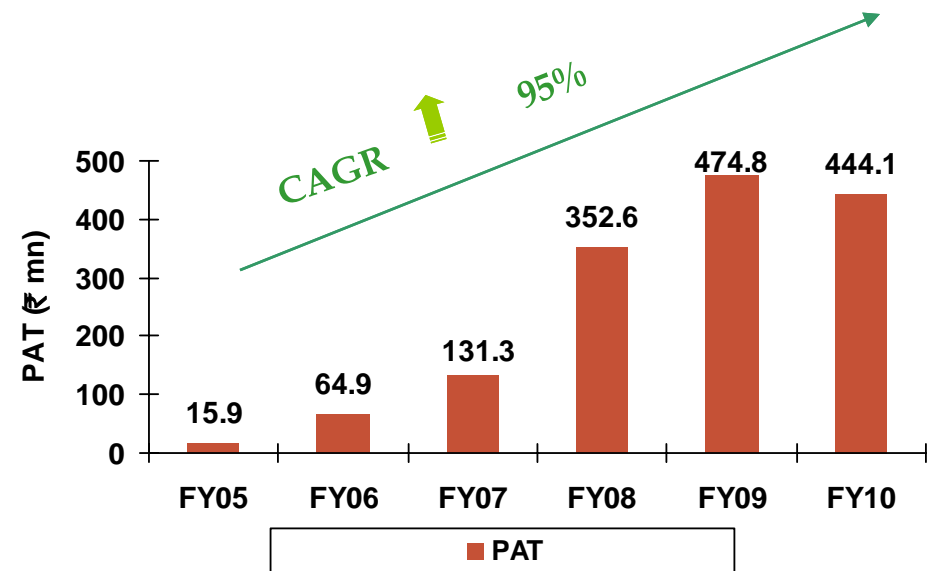
Track Record of Profitable Growth

Revenues (Cons.)



- Consolidated Revenues of ₹ 13,700 million in FY 2010.
- CAGR of 79% for the period FY 2005 to FY 2010.

PAT (Cons.)



- Consolidated PAT of ₹ 444 million in FY 2010.
- CAGR of 95% for the period FY 2005 to FY 2010.

Renewable Energy Asset Ownership Strategy

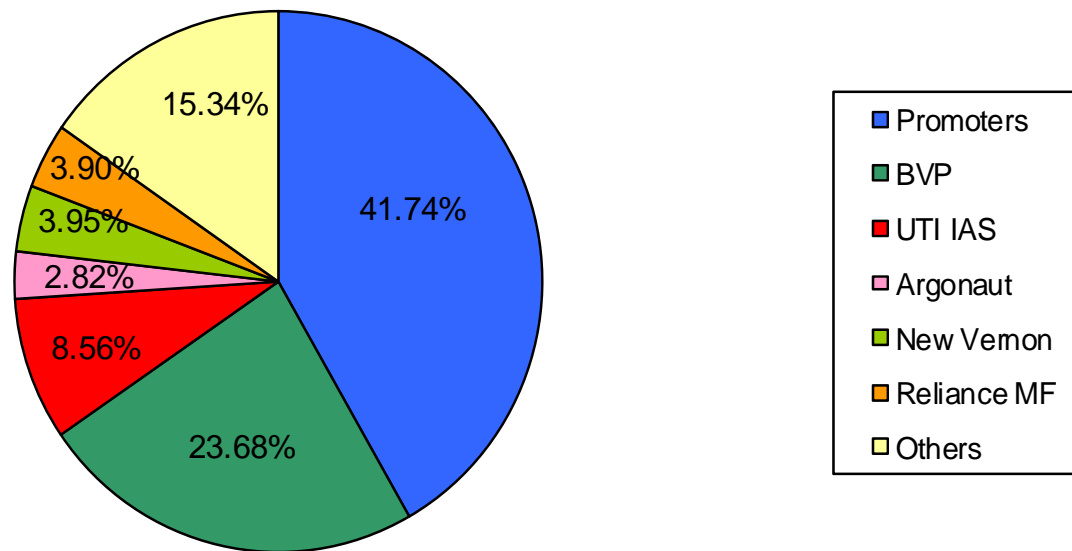
Orient Green Power Ltd. (OGPL)



- OGPL's equity shares were listed on the NSE and BSE exchanges on 08th October, 2010
- OGPL, the holding cum operating company will have Renewable Energy assets on its own as also will have majority equity ownership in SPVs implementing Renewable Energy projects focusing on Biomass, Biogas and Small Hydel.
- As of March 31, 2010 portfolio of assets included 193 MW of installed capacity comprising 152.6 MW of wind energy and 40.5 MW of biomass projects.
- Portfolio of committed and development projects included approx 815.5 MW of prospective capacity including 622.0 MW of wind power, 178.5 MW of biomass and 15.0 MW of hydroelectric power.

Shareholding Pattern

As on December 31, 2010



Sponsorship by Marquee Financial Investors

Board of Directors (as on 31.12.2010)

Name	Position	Education / Prior Experience	Board Member Since
Mr. A. Duggal	Chairman & Non Executive	B. Tech (Mech) - IIT (Delhi), MBA - IIM (Ah'bad) Bank of America, HCL Technologies	2007
Mr. T. Shivaraman	Managing Director & CEO	B. Tech (Chem), MS - IIT (Madras), ICI India Ltd.,	2007
Mr. M. A. Shariff	Joint Managing Director	P GD (Chem) - IIT (Madras)	2007
Mrs. V. Ranganathan	P romoter Director	P GD (E con.) - Madras University Various Capacities - Shriram Group	2006
Mr. R. S. Chandra	Non-Executive Director	BA (Univ of California), MBA - Harvard Commonwealth Capital, Accenture, McKinsey	2006
Mr. R. Sundararajan	Independent Director	M. Tech (Mech) - JU, MBA - IIM (Ah'bad) E D/E VP - Matrix Laboratories	2006
Mr. S.R. Ramakrishnan	Independent Director	M. Tech (Mech) - Anantapur Engg, Commercial Director, SAIL; Advisor - C. K. Birla Group	2007
Mr. Sunil Varma	Independent Director	F.C.A., I.C.W.A., PWC, IBM Consulting;	2008
Mr. S. Krishnamurthy	Independent Director	B.Sc., Diploma in Industrial Relations & Personnel Mgmt Former Chairman & CEO - Tamilnad Mercantile Bank	2009
Mr. Sunil K. Kolangara	Nominee Director (UTI)	B. Tech (Mech) - IIT (Chennai), MBA - IIM (Ah'bad) UTI Ventures Since 2003, Principal Consultant - Infosys	2010
Mr. Prabhakar D. Karandikar	Independent Director	IAS Officer - 1973, MS c. (E co) - L.S.E., MA - Pune Univ Advisor - Mah & Mah, Various Capacities with GOI	2010



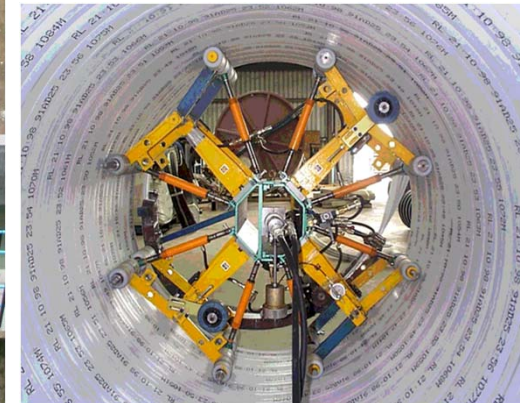
Business Verticals

Q3 & 9MFY2011



Highlights – EPC

- Turnkey EPC solutions for process and metallurgy plants such as iron & steel, copper, aluminium, cement, paper, pulp, coal fired power plants, coal gasification, etc.
- Provision of turnkey, engineering, fabrication & construction solutions for cooling towers & APC systems through subsidiary Hamon Shriram Cottrell in JV with Hamon Group, Europe.
- Engaged in the design, engineering and construction of biomass power plants and co-generation power plants.
- Turnkey design-build environmental projects catering to water and waste water treatment and management and water distribution systems, sewer and pipe rehabilitation.
- Executed projects for marquee customers like RIL, Grasim, SAIL, Jindal Steel & Power Ltd., BHEL, Vedanta Alumina and Finolex Ltd.
- Strong technical and collaborative partnerships include Leitner Group (Italy), Hamon Group (Belgium & USA), Danielli (Italy), Waterbury (Canada), SSIT (China), CPT (Hongkong), and Angerlehner (Austria), Envirotherm (Germany) and Roberts & Schaefer (USA).
- Leading Manufacturer of GRP Pipes through Associate Company – Shriram SEPL Composites Ltd. & Material Handling Equipment through Roberts & Schaefer, USA
- Has entered Into MoU with NWEPTDI of China to jointly bid for EPC for Power Plants in India.



Highlights – Wind Energy

- Provide integrated solutions through subsidiaries - including manufacturing, supply, erection, site identification, technical planning, grid connectivity and O&M.
- SEPC manufactures wind turbine generators of a MW class capacity as well as KW class capacity. The MW class turbines are manufactured using the proprietary gearless and permanent magnet technology of Leitner Technologies of Europe.
- SEPC offering of gearless MW class WTGs provides the following advantages:
 - greater efficiency,
 - lower net energy loss
 - lesser chance of downtime; and
 - lower maintenance costs.
- The Honourable High Court of Judicature at Madras vide its Order dated 11th January 2010 has approved the Scheme of Amalgamation for merger of M/s Shriram Leitwind Ltd (SLL) with M/s Leitner Shriram Manufacturing Limited (LSML) with the appointed date i.e. 1st April , 2009. Pursuant to the order becoming effective from 23rd Jan 2010, SLL ceases to be the Subsidiary of the Company.

WTG Segment
Technology partner
Leitwind



Leitner Shriram Manufacturing Ltd. (LSML)
Stake - Shriram EPC – 49.9%
Leitwind – 50.1%

- SEPC has transferred existing 250KW WTGs business to LSML
- LSML manufactures MW class turbines, including the blades, at its integrated manufacturing facility in Gummidipondi in Tamil Nadu.





Thank You

