



Q1 FY13 Investor Presentation

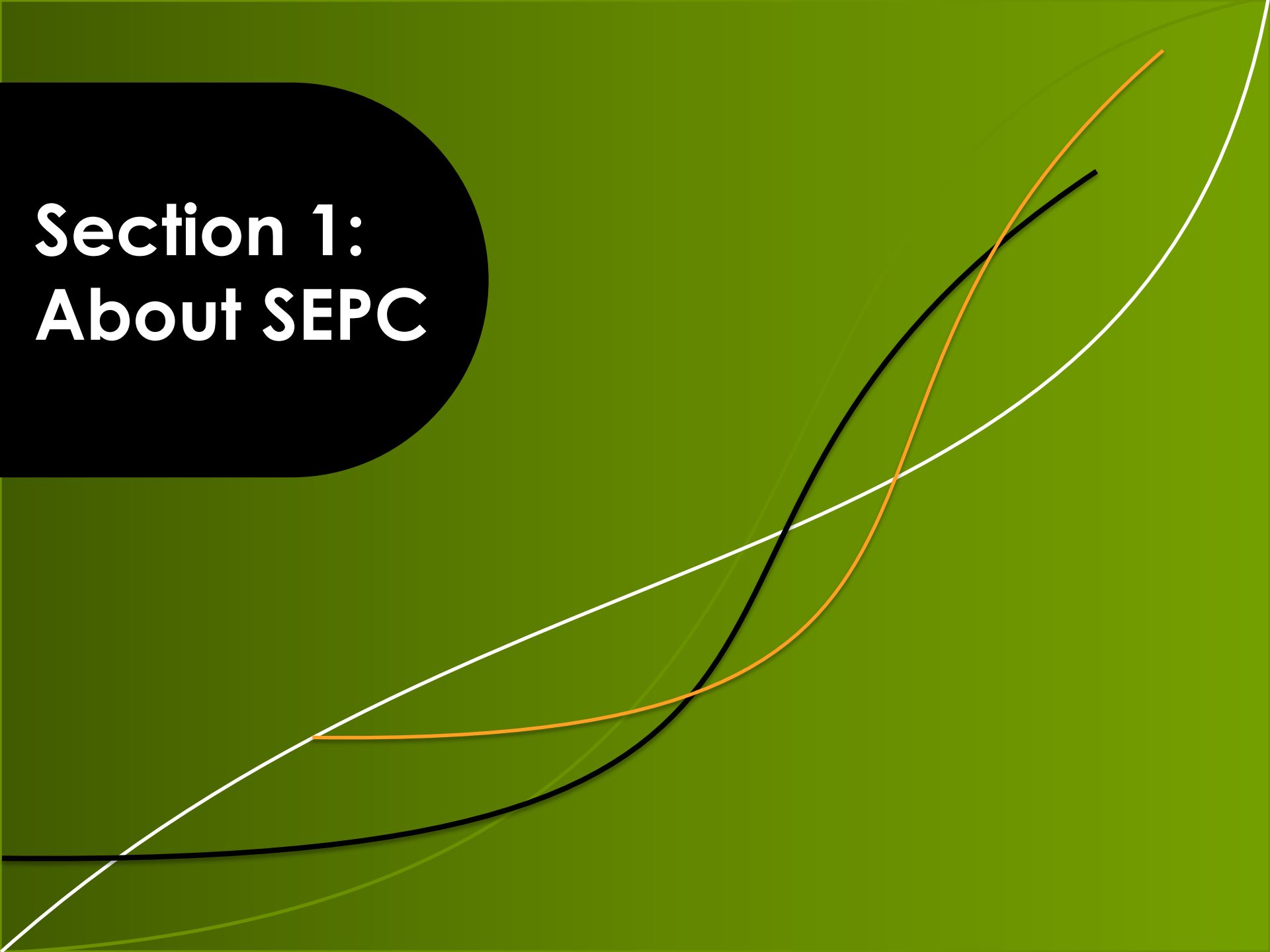
Some of the statements in this presentation that are not historical facts are forward looking statements. These forward-looking statements include our financial and growth projections as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets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

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Section 1: About SEPC



Extensive experience in process and metallurgy, construction of power plants, water sanitation and waste water treatment, and mineral processing/material handling

Diversified Business Model

Through its subsidiaries and JVs, SEPC offers high value solutions in niche segments including cooling towers, pipe rehabilitation, and wind turbine manufacturing

Extensive Knowledge

Management is well respected and has extensive knowledge in each of the business's core competencies. SEPC has a well established track record. Blackstone Group also serves as an in-house R&D team, which provides high profile engineering solutions

Opportunity and Outlook

Growing industry requirements increasing the need for EPC work, particularly in process plants and metallurgy. Demand for power increasing, particularly from RE. Urbanization creating an urgent need for water sanitation which will grow the municipal services vertical.

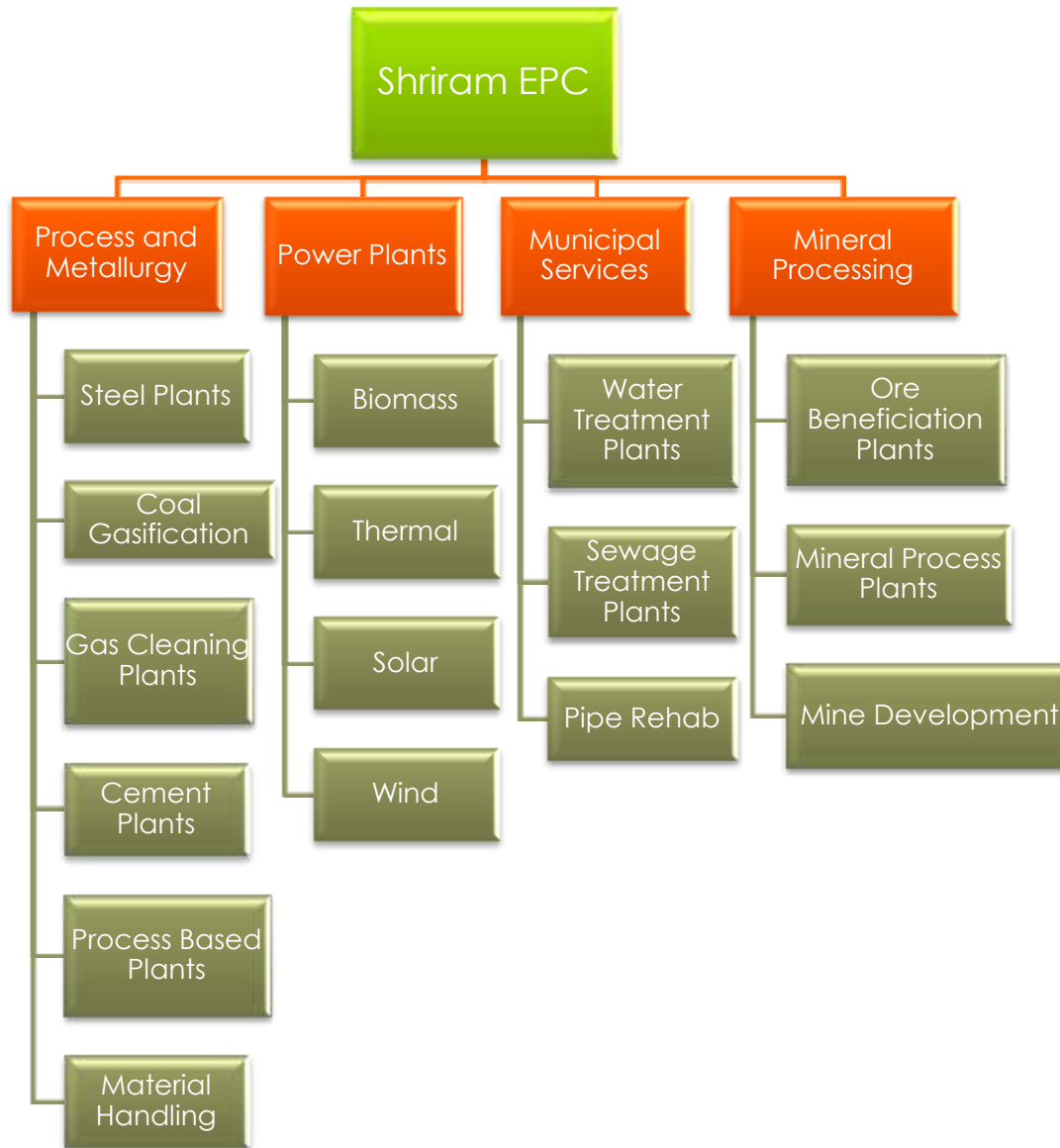
What distinguishes SEPC?

The Company is enjoying its highest ever order book position, buoyed by healthy growth in the process and metallurgy space, renewable energy segment, and municipal services business.

High Visibility

Strategic Partnerships

Shriram EPC has formed strategic partnerships with engineering majors all over the world in each of its core areas



- Leading provider of integrated EPC solutions for renewable energy, process and metallurgy plants, and municipal services
- Significant project experience, established track record, pan-India presence, international forays into Zambia, France, and Australia
- Strong order book, consistently growing year on year since FY2006
- Diverse business model – strategic focus in multiple core areas distinguishes the Company from the rest of the pack

Shriram EPC Group

Leitwind Shriram
Manufacturing
Ltd.



- Manufactures WEGs and Wind Turbines

Blackstone
Group



- Main design arm of SEPC
- High value design and engineering services

Hamon Shriram
Cottrell Pvt. Ltd.



- Design, construction and erection of new cooling towers

Orient Green
Power Ltd.



- Creating, owning and operating renewable energy assets in India and overseas
- Primarily Wind farms and Biomass plants

Shriram SEPL
Composites



- Manufacturer of GRP pipes, fittings and tanks

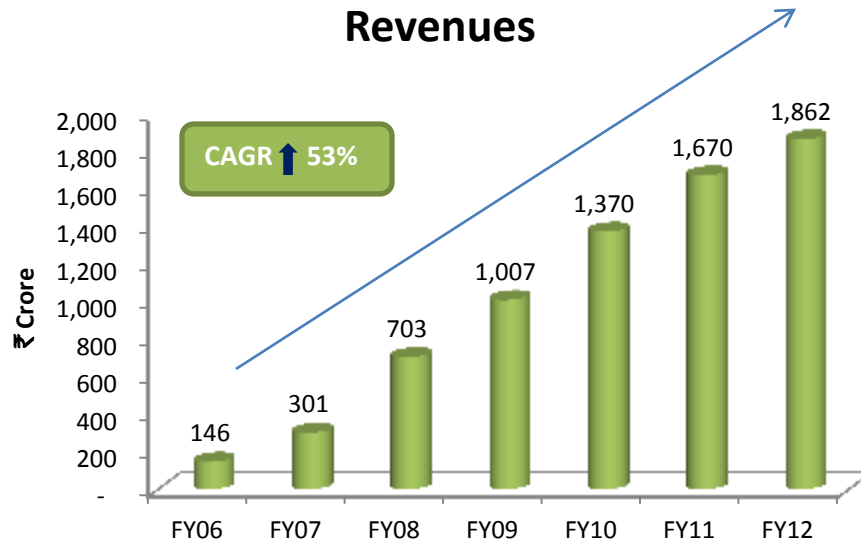


Our Technology Partners

Leitwind	To manufacture and market MW class Wind Turbines
Hamon Group	EPC solutions for cooling towers in INDIA
Envirotherm	Coal gasification
Perco	Exclusive use of their trademark pipe bursting technology

Technical partnerships help SEPC provide the best in-class solutions for demands in the EPC space.

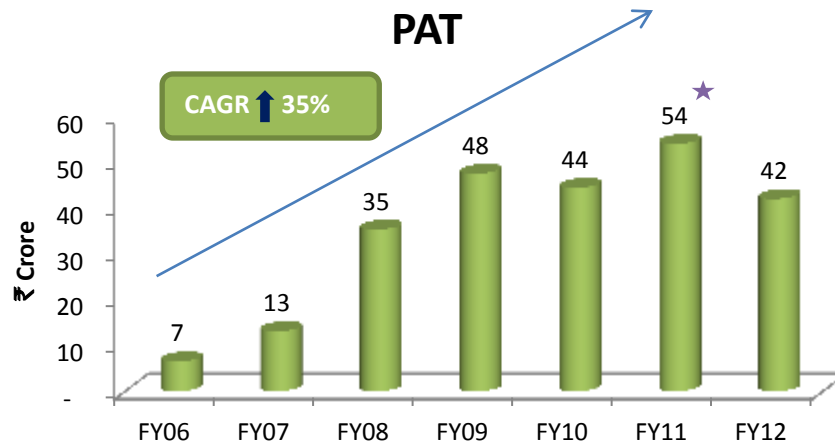
Revenues



Consolidated Revenues of ₹1,862 Cr. in FY 2012

CAGR of 53% for the period FY2006 – FY2012

PAT



Consolidated PAT of ₹42 Cr. in FY 2012

CAGR of 35% for the period FY2006 – FY2012

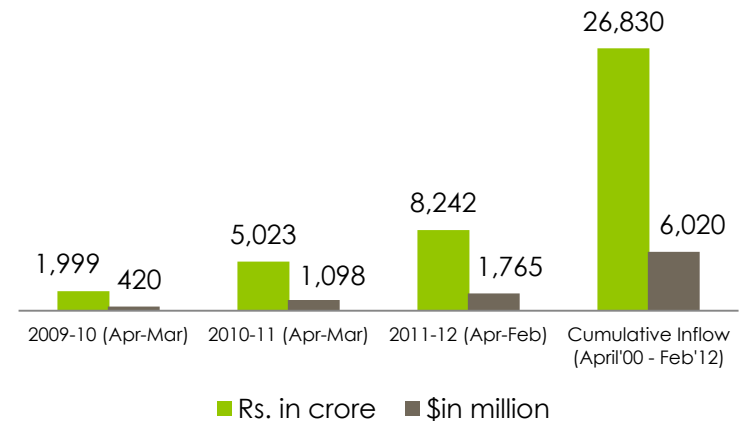
★ FY11 figure after adjusting for Exceptional Item

Immense opportunity for players in the EPC spaces

The EPC market opportunity is still largely interdependent on the fortunes of the infrastructure sector. Huge investments have been planned in ports, railways, roads and bridges, irrigation, power, and water supply and sanitation. Assuming the share of construction investment at approximately 50 %, **this indicates an opportunity for EPC players of ~ ₹ 16 trillion.**

Process and Metallurgy

- Strong long term demand from the steel industry to drive the iron ore industry through current headwinds
- Key drivers
 - Increasing consumption rates
 - Rapid Urbanisation
 - Urgent upgradation of infrastructure
 - Steady growth of the construction sector
- **Metallurgical sector has attracted USD billion in cumulative inflows from Apr 2000 – Feb 2012** accounting for ~4% of total FDI inflow. This is set to increase on the back of growing interest in the Indian EPC market.
- Source for table and graph: DIPP

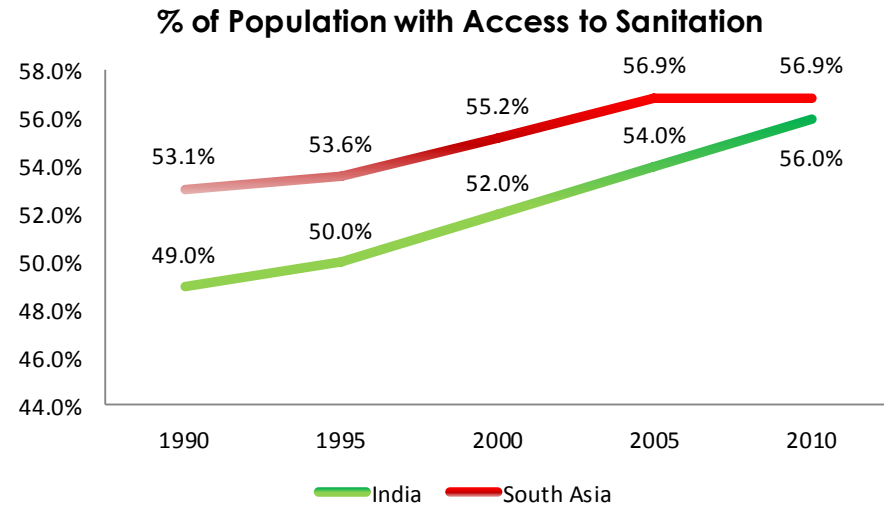


	2009-10	2010-11	2011-12	Cumulative Inflow
	(Apr-Mar)	(Apr-Mar)	(Apr- Feb)	(April'00 - Feb'12)
₹in crore	1,999	5,023	8,242	26,830
\$in million	420	1,098	1,765	6,020

Municipal Services

The percentage of urban population in India has been increasing at a tremendous pace. And over a period of 20 years, that percentage of population with access to sanitation has only risen by 7 percentage points. **Government investment in the sector is expected to rise up to USD 26 billion** by end 2012.

Source: World Bank (Graph), Eleventh Five Year Plan



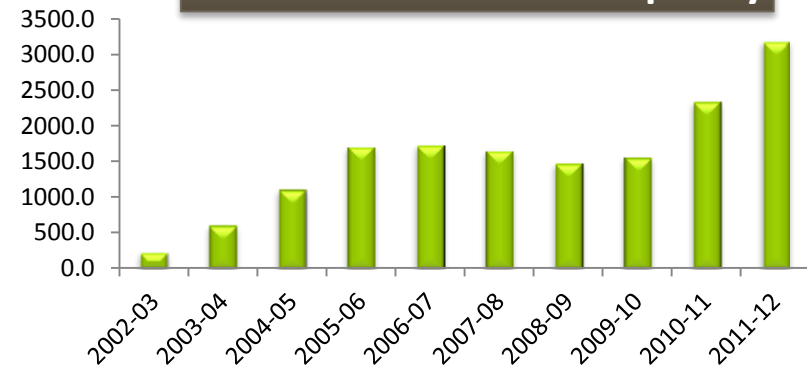
Renewable Energy

As power demand continues to increase, but challenges to thermal power remain RE is expected to fulfill opportunities:

- Mandatory minimum RE requirement for SEBs likely to increase demand for wind turbines and biomass plants
- SEPC has begun its foray into the Solar Power vertical, an industry which is expected to add 20,000 MW by 2020
- SEPC is well-placed to meet the demands of the RE EPC market.

• Source: Global Wind Energy Council

Total Installed Wind Capacity

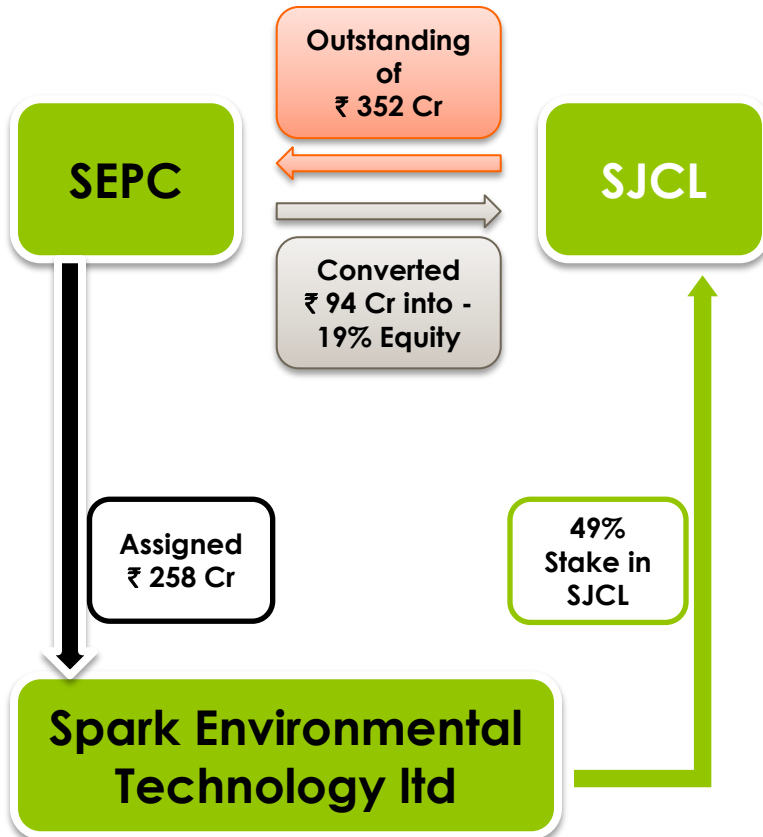


Group Companies

- Cooling towers help to decrease power plants' operational costs. Demand from power plant manufactures for cooling towers is expected to increase going forward.
- SEPL Composites can develop pipes of different diameters and flexibilities, allowing the Company to meet the custom requirements of client specifications. Reputation, track record, and industry demand are likely to increase client base in the near future.



SEPC's focus in metallurgical and process plants, municipal services, cooling towers, pipe rehabilitation, and renewable energy EPC is expected to provide abundant opportunities for profitable growth. Apart from growing existing verticals and client relationships, the Company has forayed into new verticals (i.e. Solar) and expanded operations internationally (Zambia, France, Australia) to add greater value to operations.



About SJCL

- Located in Andhra Pradesh
- Operating Plant with capacity of 3.2 MTPA
- Captive limestone reserves

Near term objectives

- SEPC + group entities have acquired majority control – 68% (19% + 49%)
- Infuse working capital and increase operating capacity from around 30% currently to > 60% in one year.

Strategy

- To raise additional equity to strengthen company. Over the long term offload stake to a strategic partner at a premium to realise value unlocking

Section 2: Financial & Operating Highlights

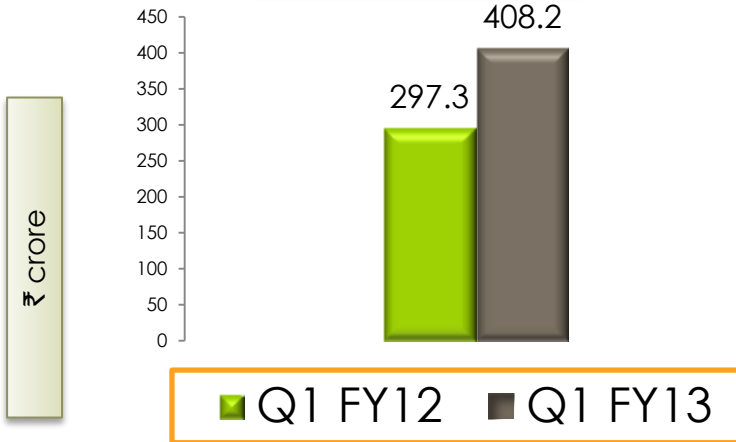


- Q1 FY13 **Net Sales** at ₹ **408.2** crore vs ₹ **297.3** crore in Q1 FY12
- Q1 FY13 **EBITDA** (incl. other income) at ₹ **71.8** crore vs ₹ **66.0** crore in Q1 FY12
- Q1 FY13 **PAT** at ₹ **1.0** crore vs ₹ **7.9** crore in Q1 FY12 impacted by increased finance costs
- Standalone **Order book** of ₹ **2,957** crore on 30th June 2012 as against ₹ **2,924** crore on 31st March 2012

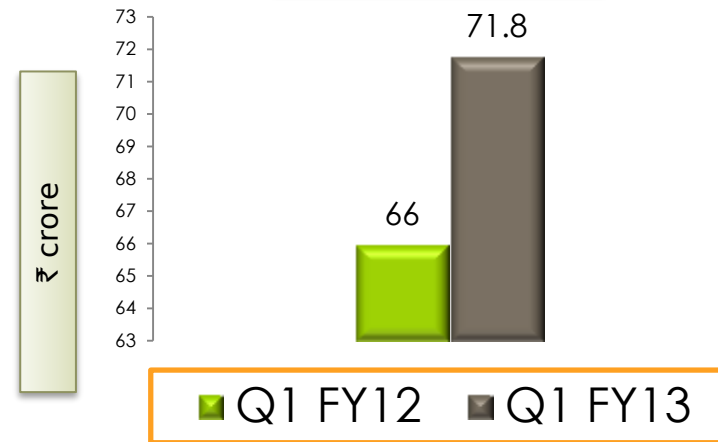
₹ crore

Income Statement	Standalone		
	Q1FY13	Q1FY12	Percentage Change
Net sales/Income from operations	408.2	297.3	37%
Other operating income	2.6	1.4	89%
Other income	8.3	9.0	-8%
Total Income from Operations	419.1	307.6	36%
Total Expenditure	347.4	241.7	44%
EBITDA	71.8	66.0	9%
Depreciation	3.0	3.2	-7%
PBIT	68.8	62.8	10%
Interest	67.4	51.0	32%
PBT	1.4	11.8	-88%
Provision for tax/tax expenses	0.5	3.9	-88%
Net Profit	1.0	7.9	-88%

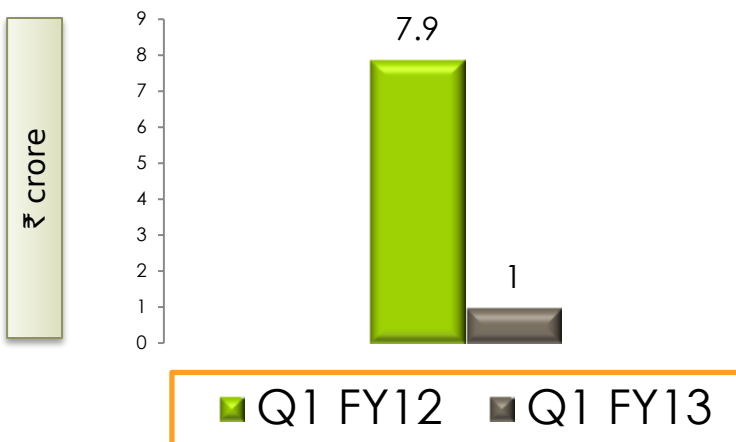
Revenues



EBITDA



PAT



- Healthy order book position and project execution cycle driving revenue growth
- Incremental increase in order backlog despite high revenue conversion – diversified service offerings helping to mitigate softness in capital investment cycle.
- Operating margins compressed by inflationary trends and cost pressures
- Interest costs have impacted PAT – focus on refinancing and debt servicing to improve profitability of operations.

- The company's order-book on a standalone basis stands at ₹ 2,957 crore as of June 30, 2012 compared to ₹ 2,924 crore as of March 31, 2012
- During the quarter, the company received the following orders:
 - An order from the Kerala Water Authority amounting to ₹ 165 crore for setting up a water distribution system for the city of Kozhikode and adjoining villages
 - An order from Gujarat Water Supply and Sewerage Board, Rajkot amounting to ₹ 46 crore
- The company has received approval from its Board of Directors to raise ₹ 150 crore of equity capital. The company has passed a general provision as the modalities of the capital raise have not been finalised. The funds will be invested for debt reduction and long term business plans of the company and does not include any investment into SJCL

- **Two pronged strategy:**
 - to improve capacity utilisation in the near term
 - increase nameplate capacity in the medium term
- **Improvement in utilisation rate:**
 - Current capacity utilization of ~30% as of end FY12 to be scaled up to ~60% by end FY13 and >90% in FY14
 - Current capacity utilization constrained by non-availability of power
 - To set up captive power plant of capacity of 35-40 Mw based on imported coal
- **Increase in capacity:**
 - Captive limestone reserves capable of supporting capacity upto 6 mtpa
 - Current capacity of 3.2 mtpa to be expanded to 5 - 6 mtpa based on feasibility
 - In dialogue with PE firms for stake sale to raise funds for capacity expansion

Section 3: Corporate Overview





2000

- Incorporation of the Company
- Receipt of 1st Biomass Power Plant Order



2003

- Commencement of Process & Metallurgy Business



2004

- Acquisition of the cooling towers business of Shriram Tower Tech Ltd
- Commencement of Pipe Rehabilitation Business



2005

- Merger of Shriram Eng. Construction
- Investment by Chryscap



2006

- Certification by DEWI-OCC for 250kw wind turbines
- Investment by UTI & Bessemer Venture Partners



2007

- JV with Leitner Technologies for Megawatt class wind turbines
- Installation of MW class Wind Electric Generator
- First contract for Coal Gasification Plant



2008

- JV with Strategic Eng. For GRP pipes
- Listing of Shriram EPC at NSE & BSE
- Acquired Blackstone Group Technologies



2009

- SAP implemented
- ISO 9001 (2008) Certified
- Leitner Shriram commences production
- Consolidated turnover crosses ₹1,000 Crore



2010

- SEPC turnover crosses ₹1,000 Crore
- OGPL files for IPO



2011

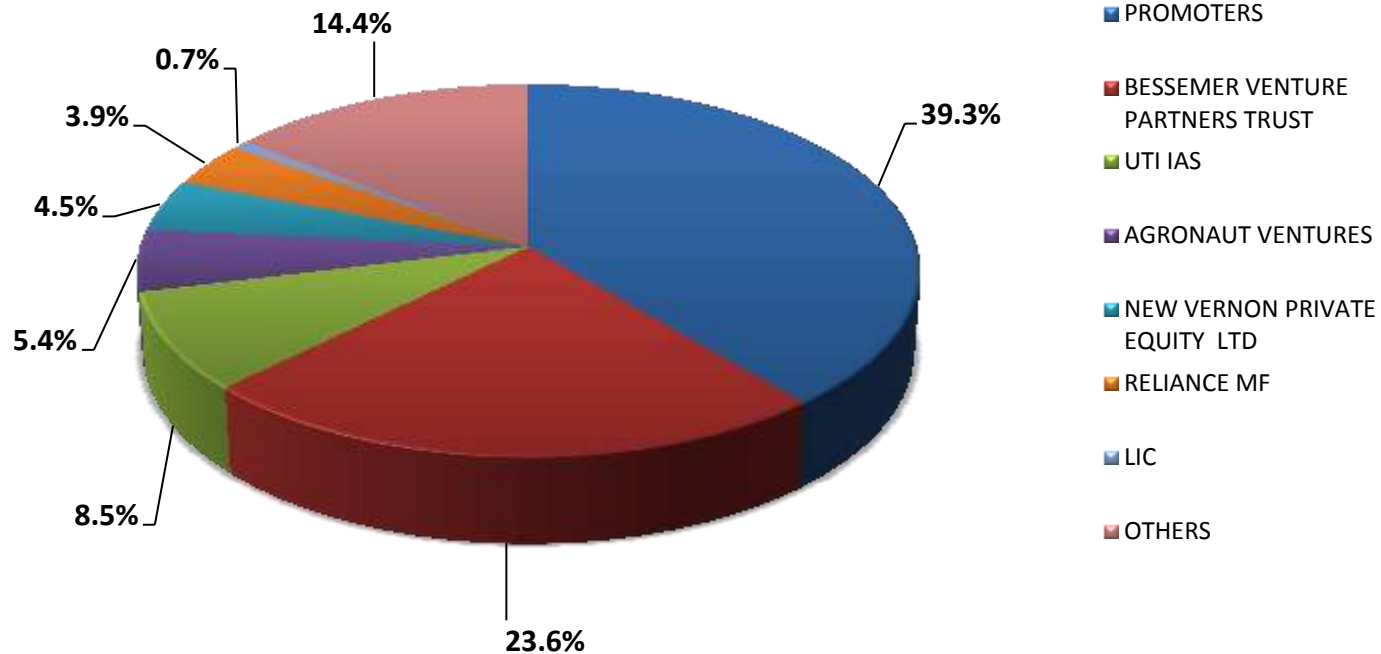
- Foray into Solar thermal power vertical
- Foray into Metals & Mineral Processing



2012

- Acquired Stake in Cement Plant of SJCL
- Strategic Foray into International markets of Africa, West Asia & South Asia

Shareholding Structure – June 30 2012





10 MW POWER PLANT FOR VARUN
BIO ENERGY



PIPE REHABILITATION



CROSS COUNTRY CONVEYOR
FOR SREE JAYAJYOTHI CEMENT



10 MW POWER PLANT FOR ETA
POWERGEN



WATER TREATMENT FOR
TWAD BOARD

Projects Executed



1.5 MW WIND TURBINE AT UTHUMALAI



COAL GASIFICATION PLANT
FOR JINDAL STEEL



COLOUR COATING LINE FOR TATA
BLUESCOPE LTD.



SILOS AT KFL, KERALA



GAS CLEANING PLANT FOR
KCM, ZAMBIA



**Thank
You**