



Investor Presentation

Q2 & H1FY11 Results

September 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

Q2 & H1FY11



Financial highlights – H1FY11

- H1FY11 Net Sales at ₹ 5,480 million vs ₹ 3,916 million in H1FY10 – growth of 40%.
- H1FY11 EBITDA at ₹ 697 million vs ₹ 392 million in H1FY10 – growth of 78%.
- H1FY11 PAT at ₹ 461 million vs ₹ 171 million in H1FY10; PAT includes an exceptional item of ₹ 233.6 million arising on account of sale of stake during the first quarter, in an Associate Company.
- H1FY11 EPS (Basic) of ₹ 10.48 per share vs. ₹ 3.94 per share in H1FY10.
- Standalone Order book of ₹ 24.91 billion on 30th September 2010.

Financial highlights – Q2FY11

- Q2FY11 Net Sales at ₹ 2,894 million vs ₹ 1,938 million in Q2FY10 – growth of 50%.
- Q2FY11 EBITDA at ₹ 419 million vs ₹ 187 million in Q2FY10 – growth of 124%.
- Q2FY11 PAT at ₹ 144 million vs ₹ 91 million in Q2FY10 – growth of 59%
- Q2FY11 EPS (Basic) of ₹ 3.27 per share vs. ₹ 2.08 per share in Q2FY10.
- Standalone Order book of ₹ 24.91 billion on 30th September 2010.

H1 FY11 Financial Overview

₹ Million

Income Statement	Standalone		
	H1FY11	H1FY10	Percentage Change
Sales & Services Income	5,479.93	3,916.34	39.92%
Other Operating Income	110.87	44.17	151.02%
Income from Operations	5,590.80	3,960.50	41.16%
Direct Expenditure	4,893.47	3,568.56	37.13%
EBITDA	697.32	391.94	77.92%
Depreciation & Amortisation	60.05	42.56	41.08%
EBIT	637.27	349.37	82.40%
Other Income	22.54	11.30	99.46%
Interest (net)	316.84	125.85	151.75%
Exceptional Items	233.63	-	100%
EBT	576.61	234.82	145.55%
Provision for tax	115.84	63.71	81.83%
Net Income	460.76	171.11	169.27%

Q2 FY11 Financial Overview

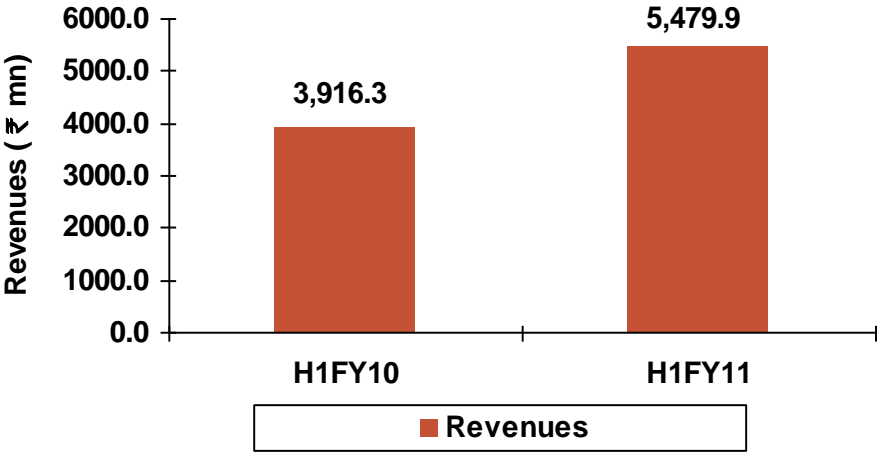
₹ Million

Income Statement	Standalone		
	July - Sept, 2010	July - Sept, 2009	Percentage Change
Sales & Services Income	2,894.43	1,937.72	49.37%
Other Operating Income	66.69	22.98	190.22%
Income from Operations	2,961.12	1,960.70	51.02%
Direct Expenditure	2,542.37	1,773.38	43.36%
EBITDA	418.75	187.32	123.55%
Depreciation & Amortisation	29.93	20.33	47.25%
EBIT	388.81	166.99	132.83%
Other Income	17.88	10.89	64.19%
Interest (net)	190.62	66.03	188.69%
EBT	216.07	111.85	93.18%
Provision for tax	72.28	21.33	238.85%
Net Income	143.79	90.52	58.85%

Revenues & EBITDA

Net Sales

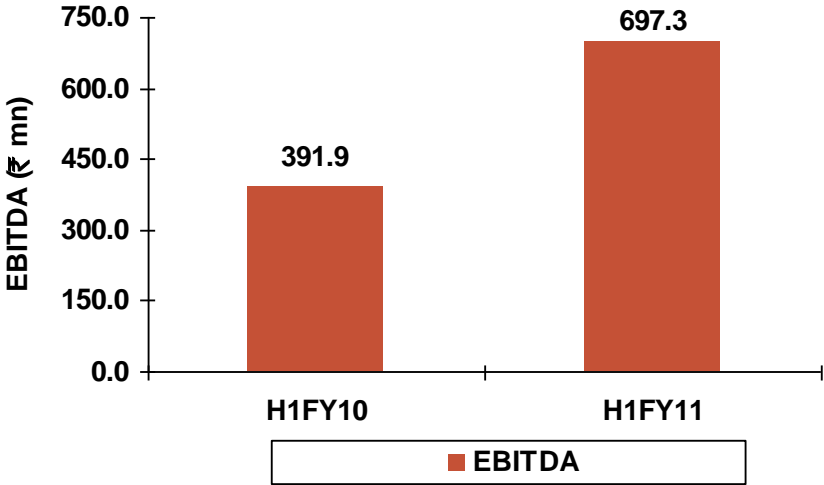
↑ 39.9%



- Robust growth in revenues.
- Emphasis on profitable growth – revenue growth achieved with focus on margin expansion.
- Strong visibility going forward – highest ever Order Book position

EBITDA

↑ 77.9%

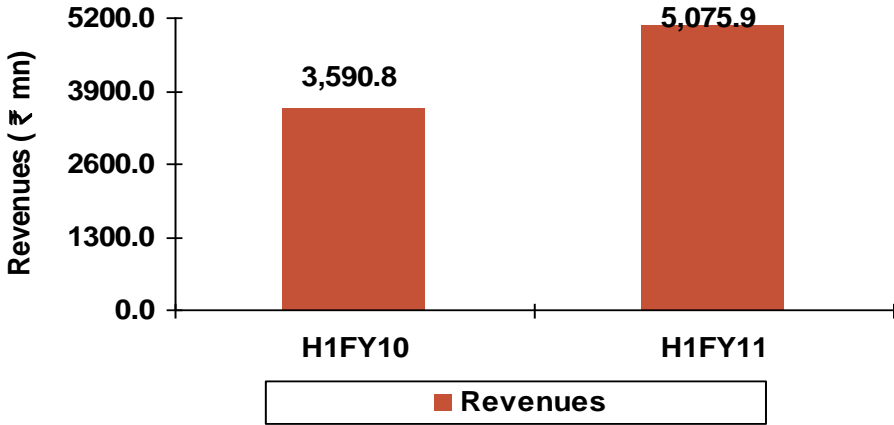


- EBITDA growth driven by expansion in revenues.
- EBITDA margin improves over same period last year.
- EPC margins are project variable and the pattern of EPC projects will impact EBITDA margins.

EPC Segment

EPC - Revenues

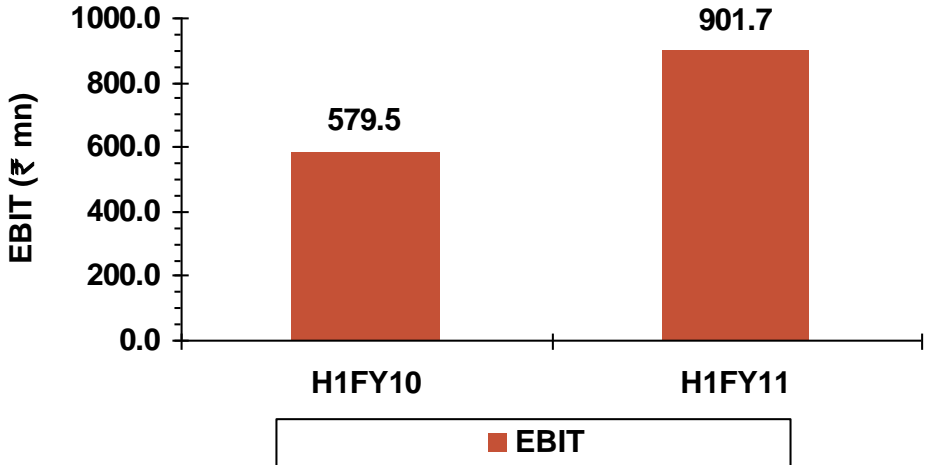
↑ 41.4%



- 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.

EPC - EBIT

↑ 55.6%

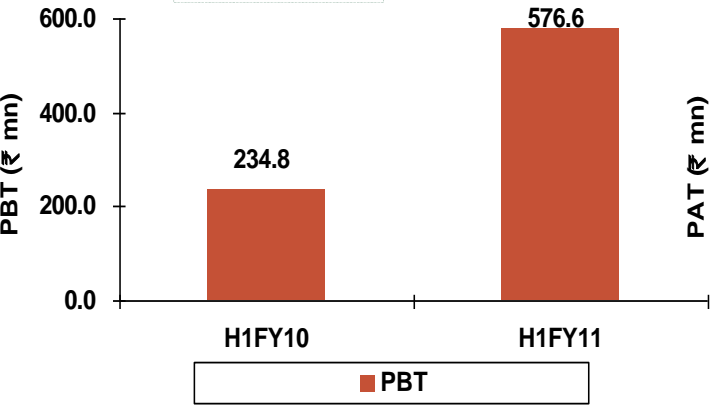


- EBIT growth attributable to volume growth and business mix.
- EBIT margins are variable from project-to-project.
- EBIT outlook strong – capacity expansion in place, order pipeline is strong and further improvement visible.

Profitability

PBT

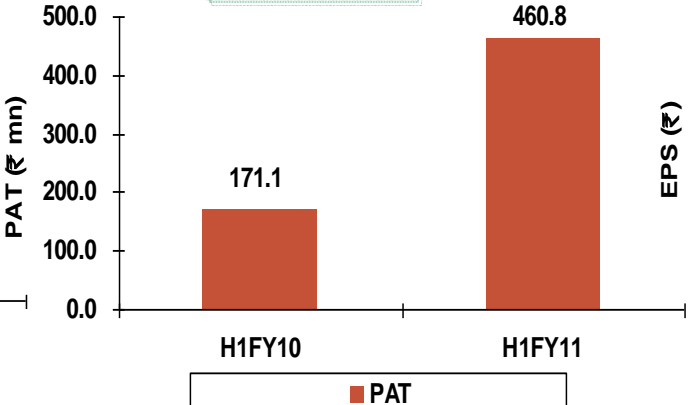
↑ 145.6%



- PBT expanded on the back of revenue growth. Also includes profit on sale of investment during Q1FY11.
- Depreciation expands by 41.1% – attributable to installation of MW Class wind turbines.
- Interest cost higher on account of increased borrowings.

PAT

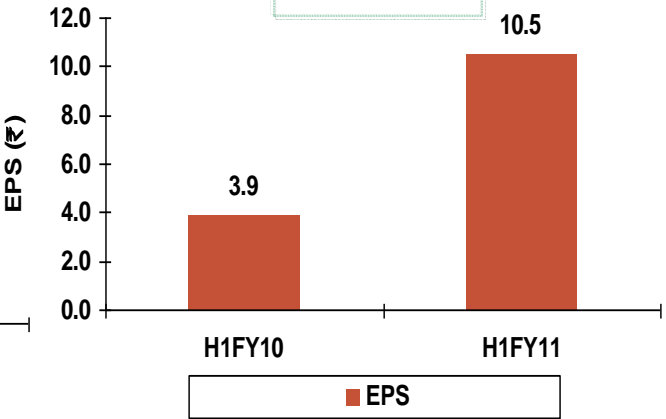
↑ 169.3%



- 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

↑ 166.0%



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

Operating Highlights

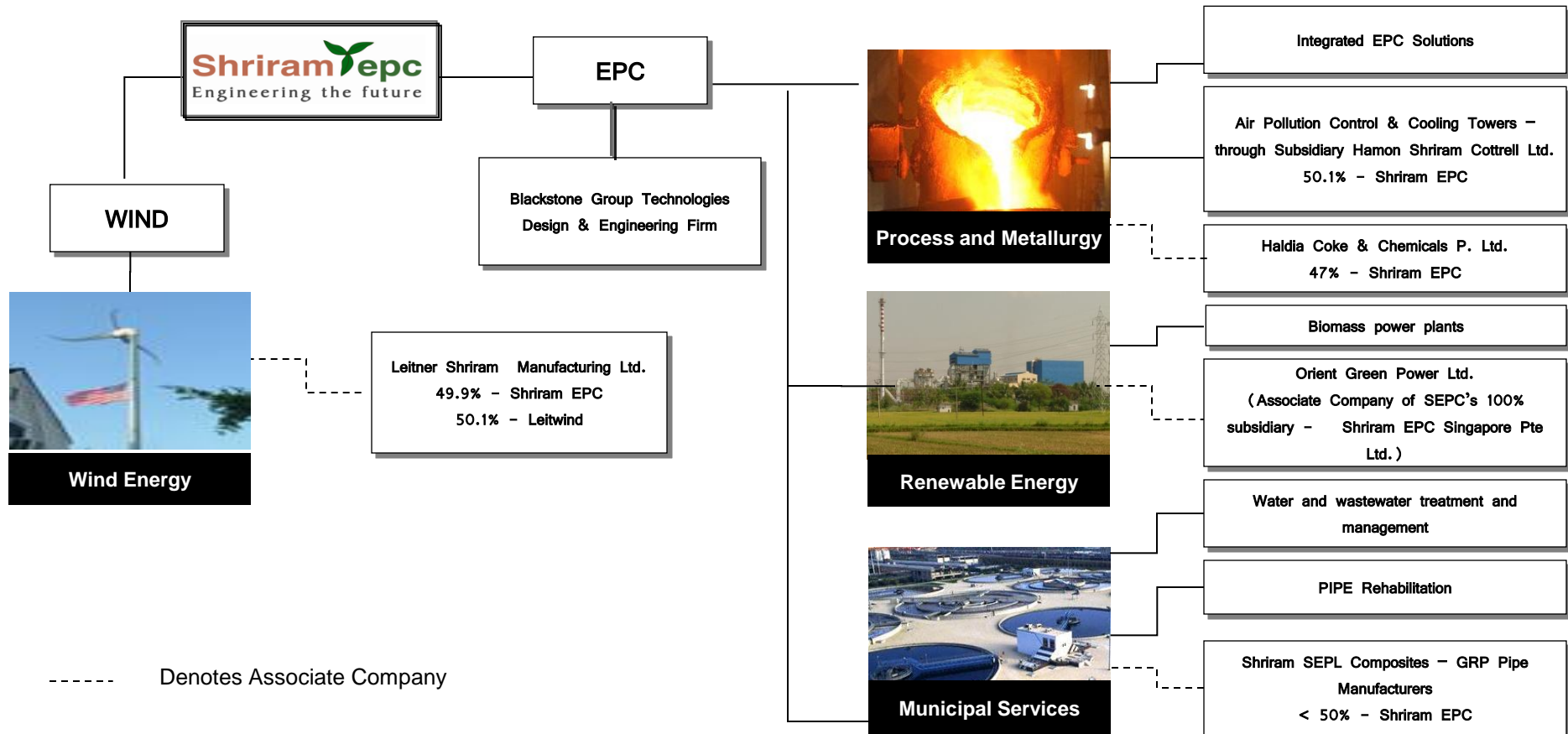
- The Standalone order book was at ₹ 24.91 billion on September 30, 2010 as compared to ₹ 16.26 billion on June 30, 2010.
- During the quarter the Company received the following major orders:
 - from Shalivahana Cement Industries Ltd. for setting up a cement plant in Adilabad District, Andhra Pradesh. The value of the order is ₹ 900 crore.
 - from Seven Star Steel Limited for setting up a waste heat recovery based power plant, in Jharsuguda, Orissa. The value of the order is ₹ 48 crore.
 - from the Kerala Water Authority for its Water Supply Scheme. The value of the order is ₹ 19 crore.
 - from the Tamil Nadu Water Supply & Drainage Board (TWAD), Madurai for setting up a water treatment plant. The value of the order is ₹ 12 crore.
- Shriram EPC associate company Orient Green Power Company Limited (OGPL) listed its equity shares on both the BSE and NSE exchanges on 8th October, 2010. Shriram EPC directly and indirectly holds 262,450,150 equity shares in OGPL which amounts to 56.1% of its total share capital.
- During the first quarter, Shriram EPC sold its entire investments in Ennore Coke Ltd to Haldia Coke & Chemicals Ltd (HCCL). 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 Ltd for a 47% equity stake.



Shriram EPC – Overview



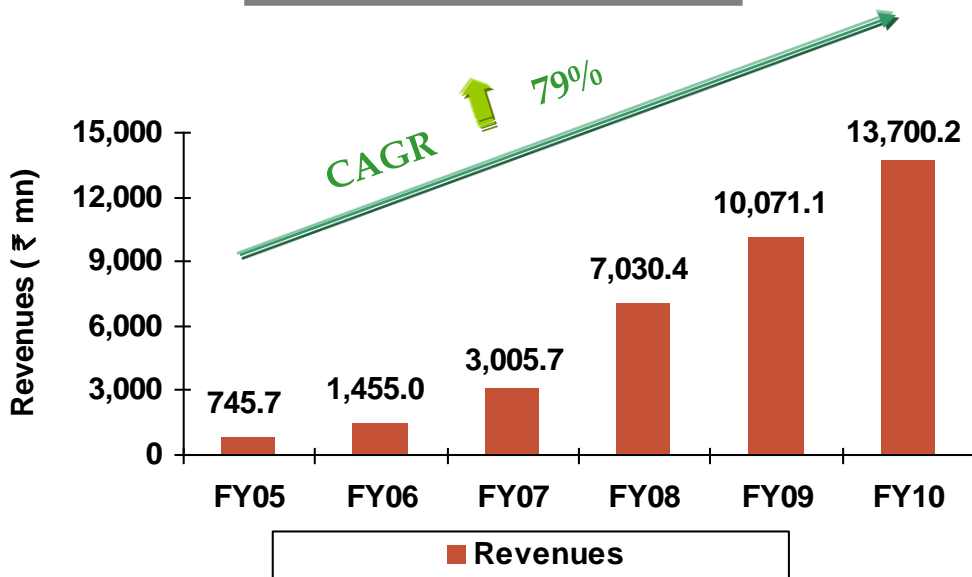
Who we are ...



- 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.

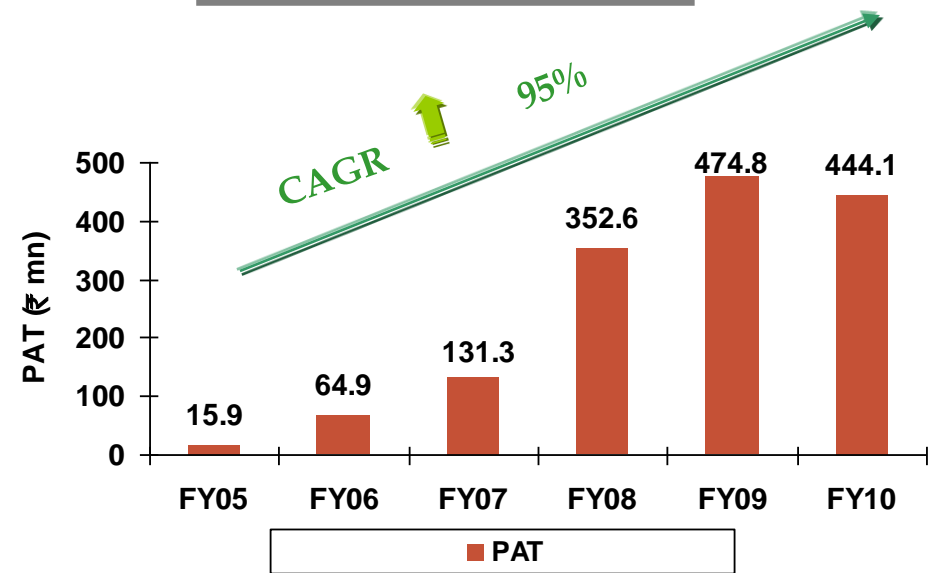
Track Record of Profitable Growth

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

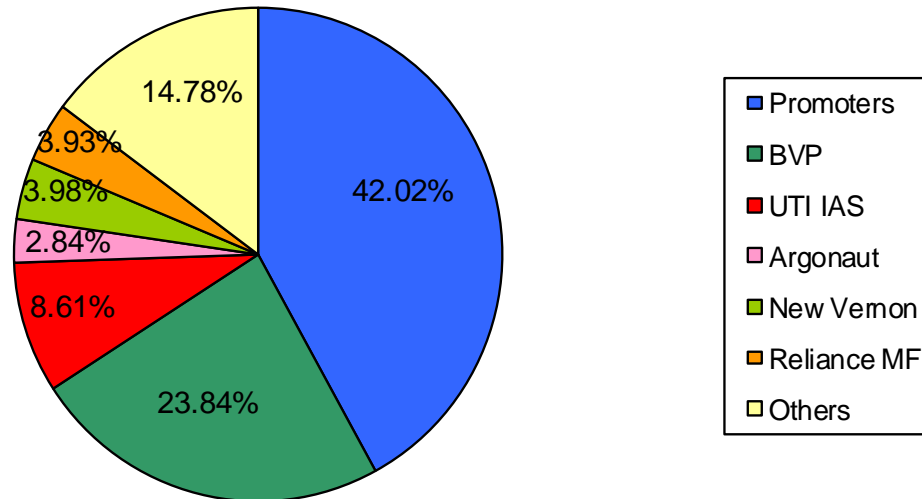
Orient Green Power Pte Ltd., Singapore (OGPS)



- 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 September 30, 2010



Sponsorship by Marquee Financial Investors

Board of Directors (as on 30.09.2010)

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	PGD (Chem) - IIT (Madras)	2007
Mrs. V. Ranganathan	Promoter Director	PGD (Econ.) - 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) ED/EVP - 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, MSc. (Eco) - L.S.E., MA - Pune Univ Advisor - Mah & Mah, Various Capacities with GOI	2010



Business Verticals

Q2 & H1FY2011



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 NWEPLD 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.



- 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

