

Performance for the quarter ended June 30, 2016

Consolidated Results
Order Inflow grows by 14%
Revenue up by 9%
PAT increases by 46%

Mumbai, July 29, 2016:

ended June 30, 2016, registering an increase of 9.1% on a y-o-y basis. The
` 21874 crore for the quarter

Infrastructure segment secured fresh orders of ₹ 11802 crore during the quarter ended June 30, 2016 in the backdrop of muted uptick in public spending on infrastructure projects. International orders contributed to around 23% of the total order inflow of

Electrical & Automation (E&A) Segment

E&A Segment recorded customer revenue of ₹ 993 crore during the quarter ended June 30, 2016, registering a y-o-y decline of 3.2%. International Revenue constituted 32% of the total customer revenue of the segment for the quarter ended June 30, 2016.

The EBIDTA margin of the E&A Segment stood at 7.8% for the quarter ended June 30, 2016, recording an increase over 5.8% earned during the corresponding quarter of the previous year on the back of improved realisation and favourable product mix.

The Order Book of the Segment registered a y-o-y growth of 11% and stood at ₹ 3380 crore as on June 30, 2016.

Hydrocarbon Segment

Hydrocarbon Segment recorded customer revenue of ₹ 2135 crore in line with the corresponding quarter of the previous year. International revenue constituted 51% of the total customer revenue of the segment for the quarter ended June 30, 2016.

Hydrocarbon Segment secured fresh orders valued ₹ 7948 crore during the quarter ended June 30, 2016, registering a significant increase over the corresponding quarter of the previous year. The order inflow for the quarter ended June 30, 2016 includes a large international order, taking the proportion of international orders to 86% of the total order inflow of the segment.

The Order Book of the Segment registered a y-o-y growth of 41% and stood at ₹ 21488 crore as on June 30, 2016.

The EBIDTA margin of the segment was at 2.0% for the quarter ended June 30, 2016 vis-à-vis 2.3% recorded in the corresponding quarter of the previous year.

The EBIDTA margin of the Developmental Projects Segment for the quarter ended June 30, 2016 stood at 9.8% vis-à-vis 5.9% earned during the corresponding quarter of the previous year.

Financial Services Segment

Financial Services Segment recorded customer revenue of ₹ 2091 crore during the quarter ended June 30, 2016, registering a y-o-y growth of 17%, driven by growth in loan assets and disbursements in the focus areas of retail and wholesale finance business.

The operating margin of the Financial Services Segment for the quarter ended June 30, 2016 at 13.3% increased over 11.7% earned during the corresponding quarter of the previous year.

“Others” Segment

“Others” segment comprises Metallurgical & Material Handling, Realty, Shipbuilding, Construction & Mining Equipment and Industrial Machinery & Product businesses.

Customer Revenue of “Others” Segment during the quarter ended June 30, 2016 at ₹ 1673 crore registered a decrease of 17% over the corresponding quarter of the previous year. International Revenue constituted 21.0% of the total customer revenue of the segment.

The segment margin turned negative during the quarter ended June 30, 2016 due to negative contribution by Shipbuilding business which has impacted the overall performance of the segment.

Outlook

A pick up in investment is crucial to sustain economic growth in the medium and long term. The investment climate in India is yet to gather pace, particularly in the private sector. High corporate debt levels, balance sheet challenges of banks, weak industrial & rural demand and sluggish exports are posing hurdles to the investment momentum. Both Central and State Government led push to capital expenditure holds the key to accelerate the growth engine.

Good progress of monsoon and pay revisions for govt employees are expected to spur household demand. The intent of the government to pursue economic reforms is visible thru passage of bankruptcy code, as well as efforts to build consensus on GST bill and attract foreign investments to make India a hi-tech manufacturing hub. Government initiatives for development of smart cities, building up robust infrastructure thru rail corridors, metro rails and roads, focus on defence manufacturing, increased outlays for augmentation of water resources and renewable energy augur well for the Company.

On the international front, the Company will continue to target select prospects in the space of core infrastructure and Oil & Gas sector in the Middle East, Africa and other neighbouring countries.

The Company has recently finalised its strategic plan for five years with a focus on profitable growth. The Company remains

Notes :

(i)

(ii) Statement of reconciliation of net PAT under IND AS and net PAT reported under previous Indian GAAP (IGAAP) for the quarter ended June 30, 2015:

Sr. No.		Crore	Crore
1		(168.66)	606.19
2		(99.14)	
3		62.11	
4		(12.13)	
5			



