

## Tecpro Systems Limited: Q2&H1 FY2012 Financial Results Highlights

### H1 FY2012

Revenues up 46% at ₹ 802.90 crore  
 EBITDA up 83% at ₹ 99.45 crore  
 Net Profit up 112% at ₹ 13.96 crore

### Q2 FY2012

Revenues up 51% at ₹ 453.15 crore  
 EBITDA up 74% at ₹ 55.73 crore  
 Net Profit up 67% at ₹ 8.58 crore

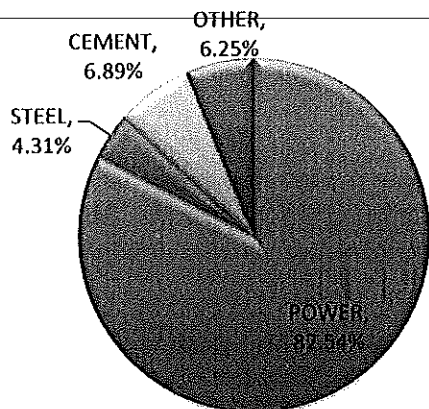
Gurgaon, November 10, 2011: Tecpro Systems Limited (Tecpro Systems), a leading Engineering, Procurement and Construction ("EPC") Company providing comprehensive range of services in Coal handling and Ash handling, Balance of Plant (BoP) packages for Power Sector and Material Handling to Steel, Cement, Ports, Mining and other industries in Infrastructure sector, has announced its results for the second quarter and half year ended September 30, 2011.

### Order Book Details

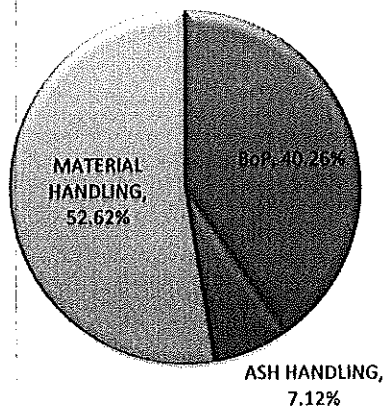
- Strong order backlog of ₹ 4437 crore as on September 30, 2011 providing robust revenue visibility
- BoP contributes 40.26%, Material Handling 52.62% and Ash Handling 7.12% of total order backlog

### Order Book Breakup

Order Book -Sector-wise break up



Order Book – Segment-wise break up

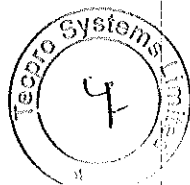


Commenting on the results, Mr. Amul Gabrani, Vice-Chairman & Managing Director, Tecpro Systems said, *"We are very happy with our progress in the first half of this fiscal year. We have further strengthened our order book position by securing several new orders on a regular basis. We remain confident of our ability to bag more orders given the large number of live enquiries across all our service verticals.*

*I am pleased to share with you that during this quarter Tecpro Systems received a high value order for Raw Material Handling system from BHEL, reinforcing our position as one of the key players in the material handling space. We have also completed the acquisition of Ambika Projects (India) Private Limited, in the water treatment space, which will enable Tecpro Systems to widen its offerings and develop its in-house manufacturing scope in BoP projects for the future. We have always tried to improve our scope of operations and sustained our growth trajectory with such acquisitions and technological tie-ups.*

*As the economic recovery becomes more robust and accelerates the pace of infrastructure development, Tecpro Systems is uniquely positioned to take advantage of this opportunity given its presence across the value chain. Our business model is robust and we expect to report continued financial and operating growth while maintaining the strength of our balance sheet as we bid for larger orders.*

*We are well on track to deliver another strong performance this year given our comfortable order book position, decent traction in the L1 pipeline and strong execution capabilities."*



## Operational Review

The quarter under review witnessed strong traction in order inflows for Tecpro Systems. The table below provides a summary of the notable orders won during the quarter under review:

Client	Description	Project Value
Bharat Heavy Electricals Limited	<ul style="list-style-type: none"><li>Ore and Coal Handling Plant Projects of Raw Material Handling System (Package 1) of NMDC Steel Plant</li><li>Largest Raw Material Handling order booked by Tecpro Systems Limited</li></ul>	₹ 521.4 crore
UltraTech Cement Limited	<ul style="list-style-type: none"><li>At Rawan Cement Works II in Chhattisgarh, the supply of 225TPH Coal Handling System and Cement Plant Conveying System</li><li>At Rajashree Cement Works IV in Karnataka, the supply and erection of 175TPH Coal Handling System as well as the supply of Cement Plant Conveying System</li></ul>	₹ 79.3 crore

Additionally, in October 2011 the company won an order worth ₹ 405.4 crore from NTPC for the supply of Extended Coal Handling Plant Package for Pakri Barwadih Coal Mining Block situated at Hazaribagh District in Jharkhand. The Company also expects to win orders in WHR segment moving forward. All its projects under execution are progressing smoothly and are on track as per their schedule.

The Company completed its acquisition of 100% stake in Ambika Projects (India) Private Limited, a Chennai based Company engaged in the business of water treatment plants, thereby making it a wholly-owned subsidiary of the Company. Further, Tecpro Systems decided to wind up the operations of Tecpro International FZE, a wholly owned subsidiary of the Company in Dubai.



## Financial Review

### P&L Perspective

- Tecpro Systems reported a robust performance during H1 FY2012 with revenues at ₹ 802.90 crore, up 46% compared to ₹ 550.31 crore in H1 FY2011. For Q2 FY2012, revenues stood at ₹ 453.15 crore, up 51% compared to ₹ 300.10 crore in sequential quarter last year
- Total expenditure for the half year stood at ₹ 715.27 crore, up 42% compared to ₹ 505.33 crore in the corresponding period last year
- EBITDA for H1 FY2012 stood at ₹ 99.45 crore, representing an increase of 83% over the corresponding period last year
- EBITDA margins for H1 FY12 period stood at 12.39% as compared to 9.87% in the corresponding half year period of the last year
- PBT for H1 FY2011 stood at ₹ 20.67 crore, an increase of 105% compared to the same period last year
- Net profit for the half year ended September 30, 2011 stood at ₹ 13.96 crore, up 112% compared to ₹ 6.59 crore in the corresponding period last year
- EPS for H1 FY2012 was at ₹ 2.77 per share, up 86% compared to ₹ 1.49 per share in H1 FY2011

### Balance Sheet Perspective

- Total Network as on September 30, 2011 stood at ₹ 692.26 crore
- Net debt stood at ₹ 1021.81 crore as on September 30, 2011

### Balance Sheet Snapshot

Particulars (Rs. crore)	30 September 2011	30 September 2010
Fixed Assets (Net)	218.59	135.61
Net worth	692.26	357.11
Total debt	1021.81	733.98
o Working capital	919.49	639.65
o Term loan	102.32	94.33
Cash & Cash Equivalents	114.30	144.92



## Impressive Clientele

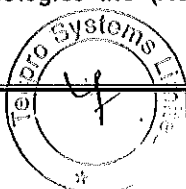
Key players in Clientele	
NTPC	Jindal Stainless Limited
Tata Power	JSW Steel
Reliance Energy	Bhushan Steel Limited
JSW Energy	Grasim Industries
BHEL	ACC Limited
Lanco Infratech	Nirma Limited
Adani Power	Chambal Fertilizers & Chemicals
UltraTech Cement	SAIL
Hindalco	Jindal Steel & Power
Tata Projects	Andhra Pradesh Power Corporation Limited
Chattisgarh State Power Generation Company Limited	Kohinoor Power Private Limited

## Outlook

In order to achieve the targeted 8-9% GDP growth rate, large amounts of investments are expected to be made to improve and expand infrastructure. As larger number of infrastructure projects reach the implementation stage, the order backlog of companies present in the engineering and capital goods sector is likely to increase manifold. With newer projects getting announced and higher infrastructure spending being targeted during the XII Five-Year Plan, Tecpro Systems is well-poised to significantly benefit from the anticipated development in the infrastructure segment.

Tecpro has emerged as a strong BoP service provider securing three projects during FY2010-11. The XIIth Five Year Plan presents a huge opportunity with 75 GW of thermal capacity addition planned which entails a BoP opportunity worth ₹ 1.6 trillion. Tecpro Systems' is well placed to capitalize on this opportunity on the back of its high end engineering skills, proven execution capabilities and robust presence across the value chain. With the majority of BTG orders for the 12<sup>th</sup> plan already placed, the BoP ordering will commence shortly, with NTPC bulk tender related package tenders being the first to be released; The Company expects to see strong traction in order inflows during H2FY2012.

The company will continue to acquire expertise in associated business verticals through technological tie-ups and inorganic growth and consistently increase its scope of operations. Through its recent collaboration agreement with Nanjing Triumph Kaineng Environment and Energy Company Ltd (NTK), China for Waste Heat Power Recovery Projects (WHR), the Company has entered into WHR space. There are only a few players executing orders in this segment. The future prospects for sector are very promising and Tecpro Systems will look to bag more orders in this space going forward. Tecpro Systems has also entered into an exclusive collaboration with Advanced Conveyor Technologies Inc (AC-Tek) of USA, to jointly market our combined



expertise on overland conveyor projects and look forward to bag orders in this space soon. The Company also recently acquired Ambika Projects (India) Private Limited, in the water treatment business. Further, the company is also entering into BoP related civil works to enhance its backward integration level thereby improving the scope of its in-house manufacturing activities. This will help Tecpro Systems sustain its margins going forward.

The Company is also looking to move towards delivering more value-added engineering services and foster partnerships with overseas boiler, turbine and generator (BTG) suppliers which will enable Tecpro Systems compete as a complete engineering, procurement and construction (EPC) player, and tap the growing potential of the domestic power sector.

The order book position of the company has grown remarkably over the past five years. The Company seeks to continuously bid aggressively to book new orders, and execute all its awarded orders effectively and in a timely manner. The Company is expected to sustain its robust growth rate in the future and consolidate its strong position in the industry.



## About Tecpro Systems

Since the commencement of its operations in 2001, Tecpro has been instrumental in executing more than 1,000 material handling orders. The Company designs, engineers, manufactures, sells, commissions and services a range of systems and equipment to provide turnkey projects for the core infrastructure related sectors like power, steel, cement and other industries. In order to expand its scope of services, Tecpro Systems integrated the ash handling business of Tecpro Ashtech Limited (TAL), previously known as Mahindra Ashtech Limited, with its existing material handling operations by way of amalgamation. Today, Tecpro Systems has in-house capabilities for providing comprehensive solutions in material and ash handling systems.

The Company has ventured into various complimentary businesses across different divisions of the power sector with a vision to build an integrated business serving the sector. As per CEA records, Tecpro received the highest number of orders for coal handling plants during the Eleventh Five-Year Plan (2007-2012). The company also forayed into the EPC segment for thermal power projects in 2007, in which it managed the erection and commissioning of the boiler, turbine and generator (BTG) packages along with undertaking the engineering, design, supply and commissioning of other equipment and services. Leveraging its capabilities in coal and ash handling, the Company has also taken up turnkey BoP contracts in the thermal power generation sector. The business undertaken by the company broadly comprises four segments viz. material handling solutions, ash handling solutions, BoP/EPC contracts and other businesses such as supply of air pollution control equipment.

### *For further information, please contact:*

Mayur Maniyar/Varun Divadkar

Citigate Dewe Rogerson

Tel: +9122 66451220/2

Email: mayur@cdr-india.com

varun@cdr-india.com

Pankaj Tandon

Tecpro Systems Ltd.

Tel: +91 124 434 3257

Email: pankajtandon@tecprosystems.com

### *Disclaimer:*

*Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Tecpro Systems Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.*

