



Order inflow of ` 14257 crore during the quarter ended June 30, 2014 took the order

Heavy Engineering Segment achieved Customer Revenue of ₹ 835 crore registering an y-o-y decline of 4% over the corresponding quarter of the previous year mainly on account of delayed order inflow and depleted order book. International sales constituted 28% of the total customer revenue of the segment for the quarter ended June 30, 2014.

Heavy Engineering Segment secured fresh orders valued ₹ 2566 crore, during the quarter ended June 30, 2014, registering a growth of 56% as compared to the corresponding quarter of the previous year. International orders constituted 18% of the total order inflow of the segment.

The Order Book of the Segment grew 3% on a y-o-y basis and stood at ₹ 8579 crore as at June 30, 2014.

The EBIDTA margin of the segment improved to 12.7% for the quarter ended June 30, 2014 vis-à-vis 9.6% recorded in the corresponding quarter of the previous year driven by progress on jobs.

E&A Segment recorded Customer Revenue of ₹ 1004 crore during the quarter ended June 30, 2014, registering a modest y-o-y growth of 9% on the backdrop of sluggish market conditions. International sales constituted 35% of the total customer revenue of the segment for the quarter ended June 30, 2014.

The EBIDTA Margin of the E&A Segment at 8.9% for the quarter ended June 30, 2014 recorded a decline over the 12.5% earned during the corresponding quarter of the previous year due to change in sales mix during the quarter.

Hydrocarbon Segment achieved Customer Revenue of ₹ 1555 crore registering an y-o-y decline of 49% over the corresponding quarter of the previous year mainly on account of lower opening order book and deferment of project awards. International sales constituted 51% of the total customer revenue of the segment for the quarter ended June 30, 2014.

Hydrocarbon Segment secured fresh orders valued ₹ 5704 crore, during the quarter ended June 30, 2014, registering a growth of 80% as compared to the corresponding quarter of the previous year driven by a large size international order. International orders constituted 94% of the total order inflow of the segment.

The Order Book of the Segment grew 32% on a y-o-y basis and stood at ₹ 14580 crore as at June 30, 2014.

The EBIDTA margin of the segment was negative for the quarter ended June 30, 2014 vis-à-vis positive margin of 5.7% recorded in the corresponding quarter of the previous year. The operating margin was adversely impacted due to time and cost overruns on international jobs arising out of stringent contractual conditions, changes in specifications by customers, sharp



Notwithstanding the improved sentiments, the domestic business environment and investment cycle continued to remain subdued during the quarter ended June 30, 2014. While the currency markets were stable and the capital markets were buoyant, high inflation, elevated interest rates and tight liquidity conditions persisted during the quarter.

The Company weathered domestic slowdown by strengthening its international presence in the select overseas markets amidst strong competitive pressures.

The domestic market holds large potential awaiting impetus through policy measures and conducive investment environment. The Company expects good prospects in the medium term from revival of core sectors such as infrastructure, power, minerals & metals, defence and oil & gas when the initiatives by the new government at the centre take definitive shape and rigour. The Company is confident of sustaining its growth momentum by utilizing the emerging opportunities for which it has positioned itself well.

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