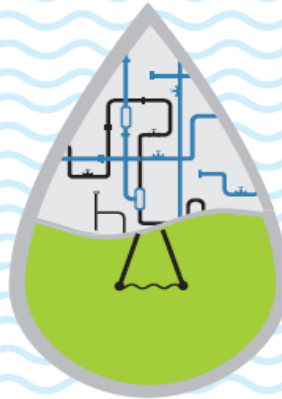




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Key Highlights Q2 & H1 FY 16

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Order Book Analysis

# **Key Highlights Q2 & H1 FY 16**



- Order intake of over Rs. 30 bn
- Standalone Sales of Rs. 5.8 bn, growth of 61 %
- Standalone EBITDA of Rs. 670 mn, growth of 91 %
- Standalone Net Profit of Rs. 405 mn, growth of 95%
- Total Order Book of Rs. 86 bn including Framework Contracts of Rs. 15 bn



Waste Water Treatment Plant, Zermatt, Switzerland



# Strategic Geographical Spread



## Europe

- R&D Centre – over 100 patents
- Low working capital
- References for global business
- Technology Centre for advanced technologies in waste water

## Africa

- Largely untapped-emerging economy
- Competitiveness through Indian support



## India

- High Margins
- Low cost of Operations
- Technology Centre for Industrial business and desalination

## Middle East

- >50% of Desal market in Saudi
- High potential for advanced technologies
- Competitiveness through Indian support



## South East Asia

- Largely untapped - Emerging economy
- Competitiveness through Indian support



# Q2 & H1 Performance



# RESULTS OVERVIEW – Standalone Profit and Loss

INR Millions	Q2 FY16	Q2 FY 15	YoY %	H1 FY16	H1 FY 15	YoY %	FY15
Income	3,245	2,339	38.8%	5,784	3,590	61.1%	12,201
Other Operating Income	31	22	40.8%	58	66	-12.1%	132
Cost of Sales	2,620	1766	48.3%	4,384	2,524	73.7%	9,423
Total Cost of Operations (TCO)	281	359	-21.7%	787	781	0.7%	1,375
EBITDA	376	236	59.5%	670	351	91.2%	1,537
<b>EBITDA margin</b>	<b>11.6%</b>	<b>10.1%</b>		<b>11.6%</b>	<b>9.8%</b>		<b>12.6%</b>
Net (Gain) / Loss on Forex	-53	7	-854.3%	-55	-3	2116.0%	44
Interest & Finance Charges (Net)	34	20	64.7%	46	31	46.2%	58
Depreciation & Amortization	30	33	-8.7%	62	9	584.4%	75
Tax	126	59	115.0%	213	105	103.2%	456
Profit After Tax	239	116	105.1%	405	208	94.8%	904
<b>PAT margin</b>	<b>7.4%</b>	<b>5.0%</b>		<b>7.0%</b>	<b>5.8%</b>		<b>7.4%</b>

- Good opening backlog and increased focus on project execution has resulted in growth of Sales and EBITDA.
- Cost of Sales vary quarter on quarter depending on the mix of projects
- Tight control of overheads has led to reduction in TCO and higher EBITDA. Reduction in provision for receivables as per Company receivable policy of INR 22 Mn lead to reduction in other expenses in TCO
- Increase in Finance Charges largely due to reduction of interest income.



# RESULTS OVERVIEW – Consolidated Profit and Loss

INR Millions	Q2 FY16	Q2FY 15	YoY %	H1 FY16	H1 FY 15	YoY %	FY15
Income	6,014	5,061	18.8%	10,571	9,042	16.9%	24,284
Other Operating Income	10	8	25.3%	19	38	-51.6%	68
Cost of Sales	4,890	3,971	23.1%	8,393	6,920	21.3%	19,098
Total Cost of Operations (TCO)	695	770	-9.8%	1,634	1,627	0.4%	3,142
EBITDA	440	329	33.9%	563	534	5.5%	2,112
<b>EBITDA margin</b>	<b>7.3%</b>	<b>6.5%</b>		<b>5.3%</b>	<b>5.9%</b>		<b>8.7%</b>
Net (Gain) / Loss on Forex	-25	-17	46.2%	-23	-60	-61.9%	17
Interest & Finance Charges (Net)	109	62	76.2%	180	120	50.2%	315
Depreciation & Amortization	53	55	-4.0%	104	89	17.6%	109
Tax	149	87	71.8%	246	135	83.0%	566
Profit After Tax	154	142	8.6%	55	251	-78.0%	1105
<b>PAT margin</b>	<b>2.6%</b>	<b>2.8%</b>		<b>0.5%</b>	<b>2.8%</b>		<b>4.5%</b>
Share of Profits from Associates / MI	-8	14		-7.6	7		-4
<b>Net PAT</b>	<b>146</b>	<b>156</b>	<b>-6.2%</b>	<b>48</b>	<b>258</b>	<b>-81.5%</b>	<b>1101.0</b>

- Euro depreciation of 12%, delay in Nepal project due to local conditions, Oman project nearing completion, many overseas projects being under engg. completion contributed to drop in overseas revenue in Q2.
- Increased cost of sales to extent of INR 50 Mn due to extended stay at site in the Oman desal project and in general mix of projects for the quarter.
- We have classified the site employee cost for Istanbul O&M Project in Turkey under Cost of Sales in this Quarter and accordingly aligned the numbers of prior period.
- Overheads in general were tightly controlled.
- Increase in Net Finance cost is due to Interest charges on account of Ujams BOOT Project in Namibia (was IDC during prior period) and reduction in interest income.

# RESULTS OVERVIEW – Balance Sheet

Rs. Millions	Sep'15	Mar '15	Sep'15	Mar '15
	Consolidated		Standalone	
Net Worth	9,275	9,026	7,298	6,862
Minority Interest	72	49	-	-
Non-Current Liabilities	2,518	3,117	1,715	2,216
Trade Payables	8,131	8,653	4,603	5,575
Other Current Liabilities	6,734	4,832	3,454	2,412
<b>Total Liabilities</b>	<b>26,729</b>	<b>25,678</b>	<b>17,070</b>	<b>17,065</b>
Fixed Assets	1,817	1,919	967	990
Other Non-Current Assets	3,132	2,619	3,120	2,639
Trade Receivables	15,785	14,807	9,700	9,833
Cash & Bank Balances	2,094	3,112	291	1,283
Other Current Assets	3,902	3,222	2,993	2,321
<b>Total Assets</b>	<b>26,729</b>	<b>25,678</b>	<b>17,070</b>	<b>17,065</b>

- Exchange rate for B/S used for Sep 15 (74.45) had 10% increase over PY Mar 15 (67.93) rate.
- Increase in Consol other current liabilities is due to increase in short term borrowings for working capital
- Increase in standalone other current assets due to increase in advances to suppliers
- Company took 6 Projects to completion during H1 CY. Separate team for project closure lead to focused attention on closing projects

# RESULTS OVERVIEW – Working Capital Highlights

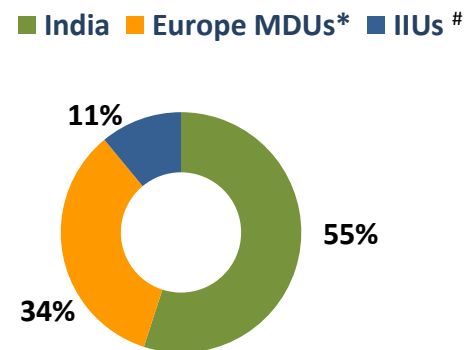
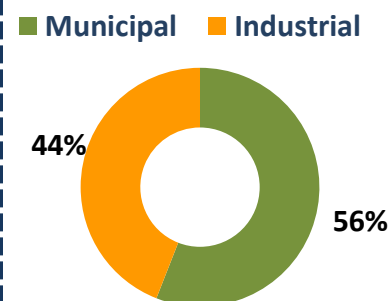
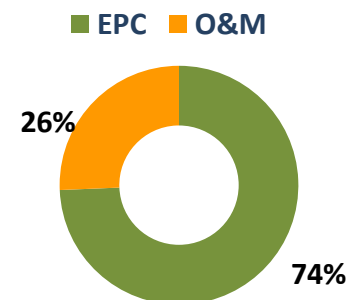
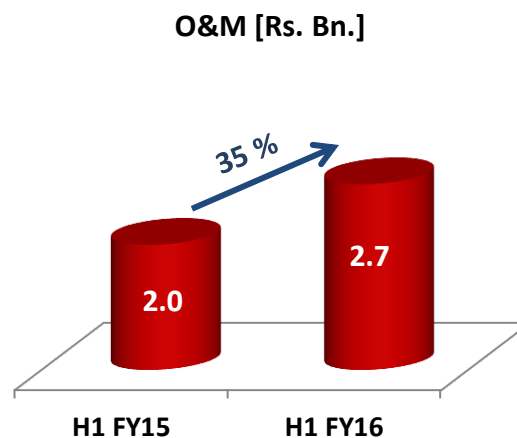
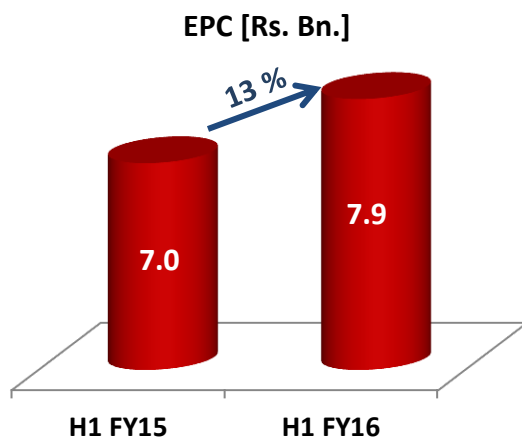
Rs. Millions	Sep '15	Mar '15
Current Investments	200	350
Inventories	682	470
Trade Receivables	15,785	14,807
Loans and Advances	1,666	1,063
Cash & Bank Balances	2,094	3,112
Other Current Assets	1,354	1,339
<b>Total Current Assets (A)</b>	<b>21,780</b>	<b>21,140</b>
Short-term borrowings	2,975	1,113
Trade Payables	8,131	8,653
Other Current Liabilities and Provisions	3,759	3,719
<b>Total Current Liabilities (B)</b>	<b>14,865</b>	<b>13,486</b>
Net Working Capital without Cash (NWC)	4,822	4,543
<b>Net Working Capital without Cash (No. of Days)</b>	<b>59</b>	<b>68</b>

- Company resorted to use its cash in Balance Sheet for Speedier execution as sub-contractors and vendors face tight liquidity market situation.

**59 Days Net Working Capital excluding Cash**

# Revenue Breakup – H1 FY16

INR Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India	1,820	2,955	827	182	5,784
Wabag Overseas	1,949	1,135	1,318	385	4,787
<b>Total</b>	<b>3,769</b>	<b>4,090</b>	<b>2,145</b>	<b>567</b>	<b>10,571</b>



# Key Projects contributing to Revenue – H1 FY 16

Project Details	Revenue recognized [INR Mn]
▪ APGENCO – BOP with Water management	1,819
▪ Petronas RAPID ETP, Malaysia	746
▪ Istanbul, Turkey O&M	712
▪ Nemmeli 100 MLD Desal – O&M, Chennai	431
▪ DAWASA, Tanzania – 130 MLD WTP	366
▪ Dangote, Nigeria – 60 MLD RWTP	341
▪ Madinaty, Egypt – WWTP	293
▪ Habra, West Bengal – 147 MLD WTP	235
▪ RIL ETP , C2 Complex	174
▪ Izmir, Turkey – 360 MLD WTP	163



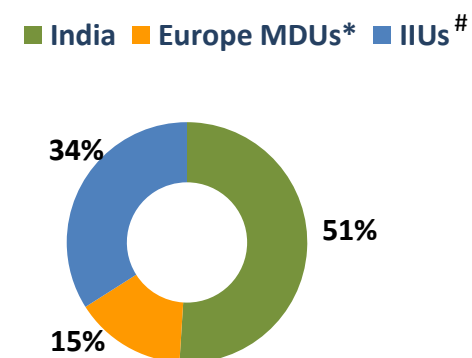
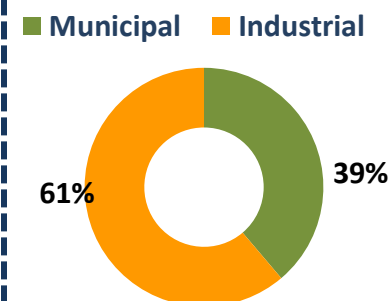
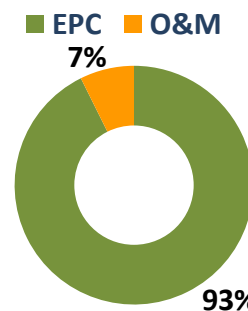
# **Order Book Analysis – H1 FY16**



# Order Intake Breakup – H1 FY16

INR Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India	6,070	8,088	1,437	106	15,701
Wabag Overseas	3,918	10,466	526	193	15,103
<b>Total</b>	<b>9,988</b>	<b>18,554</b>	<b>1,963</b>	<b>299</b>	<b>30,804</b>

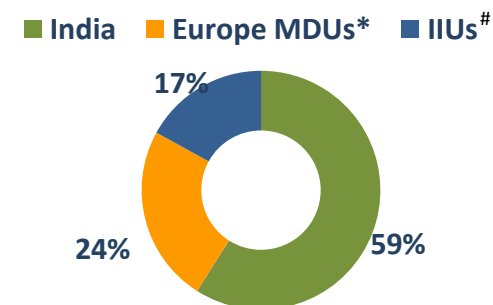
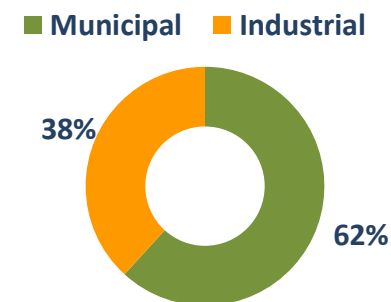
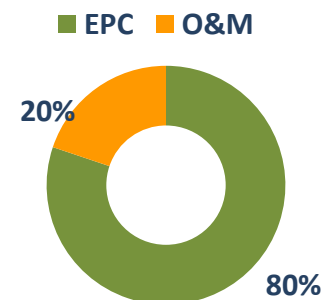
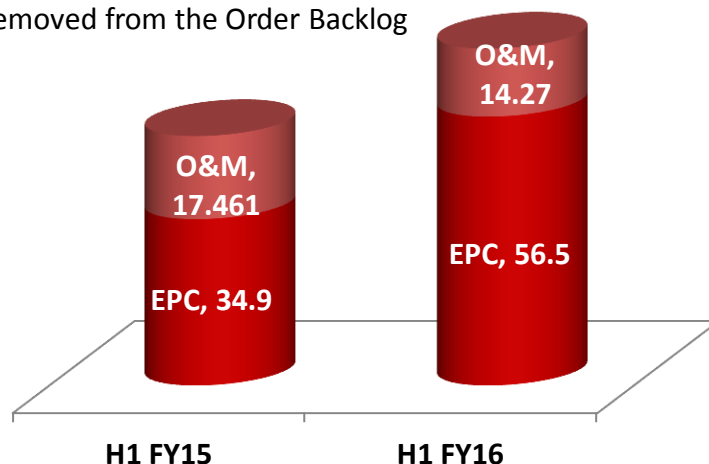
Key Order Received in Q2	Order Value
■ Petronas RAPID ETP, Malaysia	INR 15,345 Mn



# Order Book Composition – H1 FY16

Rs. Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India*	15,312	15,324	10,996	269	41,901
Wabag Overseas	15,333	10,516	2,074	933	28,856
Framework Contracts					15,420
<b>Total</b>	<b>30,645</b>	<b>25,840</b>	<b>13,070</b>	<b>1,202</b>	<b>86,177</b>

\*Ulhasnagar Order removed from the Order Backlog



# Order Book of Rs. 70.8 Bn & Framework Contracts of Rs. 15.4 Bn

## Key Contracts in Order book

Project Details	Amt [Rs. Mn]
• Petronas RAPID ETP, Malaysia	13,450
• AMAS, Bahrain – 40 MLD STP	5,877
• APGENCO – BOP with Water Management	4,670
• Nemmeli, Chennai - 100 MLD Desalination O&M	4,071
• OWSSB, Orissa – 100 MLD STP with O&M	2,170
• Istanbul, Turkey O&M	2,146
• Dangote, Nigeria – 60 MLD RWTP	1,969
• UP Jal Nigam - 140 MLD STP with O&M	2,163
• Habra, West Bengal – 147 MLD WTP	1,745
• Valenzuela, Philippines - 60 MLD STP	1,633

## Key Framework Contracts \*

- Libya STP of Rs. 6,114 mn
- Tobruk, Libya Desal of Rs. 1,181 mn
- Polghawella, Sri Lanka, WTP of Rs. 6,761 mn

### Framework Contracts won in FY 16

- Al Saad, Saudi Arabia BWRO of Rs. 1,364 mn

*\* Contracts wherein Advance Monies/ LC awaited, hence not taken in Order Book*

## Guidance for FY 16

**Revenue : INR 28.0 Bn – INR 30.0 Bn & Order Intake : INR 35.0 Bn – INR 37.0 Bn**



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