

# Water

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**VA TECH WABAG LTD.**

**Result Update Presentation  
H1 & Q2 FY 18**

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# Key Highlights Q2 & H1 FY 18





- Consolidated Revenue up by 15%
- Consolidated EBITDA up by 44%
- Consolidated PAT at INR 418 Mio up by 43%
- Standalone Sales up by 21%
- Standalone EBITDA up by 29%



Water Treatment Plant,  
Melamchi, Nepal

# Quarterly Performance



# RESULTS OVERVIEW – Standalone Profit and Loss

Rs. Millions	Q2 FY18	Q2 FY17	YOY %	H1 FY18	H1 FY17	YOY %
Revenue from Operations	5,064	4,536	12%	8,609	7,138	21%
Cost of Sales	3,978	3,596	11%	6,654	5,537	20%
Total Cost of Operations (TCO)	491	429	15%	992	855	16%
EBITDA	595	511	16%	963	746	29%
<b>EBITDA margin</b>	<b>11.7%</b>	<b>11.3%</b>		<b>11.2%</b>	<b>10.5%</b>	
Other Income	16	2	700%	18	6	200%
Forex (Gain) / Loss	28	1		28	(100)	
Finance Cost	76	54	41%	147	103	43%
Depreciation & Amortization	23	24	-4%	46	48	-4%
Tax	170	150	13%	266	243	10%
Profit After Tax	314	284	11%	494	459	8%
<b>PAT margin</b>	<b>6.2%</b>	<b>6.3%</b>		<b>5.7%</b>	<b>6.4%</b>	

- Good growth in topline aided by a healthy order backlog
- Healthy growth in EBITDA through operational efficiencies
- Increase in finance cost mainly due to higher bank charges driven by new orders

# RESULTS OVERVIEW – Consolidated Profit and Loss

Rs. Millions	Q2 FY18	Q2 FY17	YOY %	H1 FY18	H1 FY17	YOY %
Revenue from operations	8,865	7,776	14%	15,551	13,578	15%
Cost of Sales	7105	6296	13%	12,361	10,929	13%
Total Cost of Operations (TCO)	933	900	4%	1,958	1,794	9%
EBITDA	827	580	43%	1,232	855	44%
<b>EBITDA margin</b>	<b>9.3%</b>	<b>7.5%</b>		<b>7.9%</b>	<b>6.3%</b>	
Other Income	2	15	-86%	22	24	-8%
Forex (Gain) / Loss	52	(5)		39	(50)	
Finance Cost	143	109	31%	276	228	21%
Depreciation & Amortization	45	47	-4%	90	93	-3%
Tax	220	186	18%	380	296	29%
Share of Profits from Associates / MI	-35	-17	106%	-51	-20	155%
Profit After Tax	334	240	39%	418	292	43%
<b>PAT margin</b>	<b>3.8%</b>	<b>3.1%</b>		<b>2.7%</b>	<b>2.2%</b>	

- Top line and bottom line increase driven by robust progress in IIU projects like Petronas, Malaysia and AMAS, Bahrain despite adverse currency translation impact
- Operating Margin improvements in overseas projects through better procurement and efficient execution



# RESULTS OVERVIEW – Balance Sheet

Rs. Millions	Sep '17	Mar '17	Sep '17	Mar '17
	Consolidated		Standalone	
Total Equity (Net Worth)	10,443	10,104	8,478	8,241
Non-Current Liabilities	2,406	2,695	1,782	1,942
Trade Payables	12,728	12,574	8,211	8,300
Short Term Borrowings	4,973	2,459	3,391	1,199
Other Current Liabilities	5,706	5,674	3,080	3,043
<b>Total Equity &amp; Liabilities</b>	<b>36,256</b>	<b>33,506</b>	<b>24,942</b>	<b>22,725</b>
Fixed Assets	1,709	1,776	889	922
Other Non-Current Assets	5,094	4,727	4,873	4,609
Trade Receivables	24,282	21,238	15,818	13,576
Cash & Bank Balances	1,550	2,617	389	947
Other Current Assets	3,620	3,148	2,972	2,671
<b>Total Assets</b>	<b>36,256</b>	<b>33,506</b>	<b>24,942</b>	<b>22,725</b>

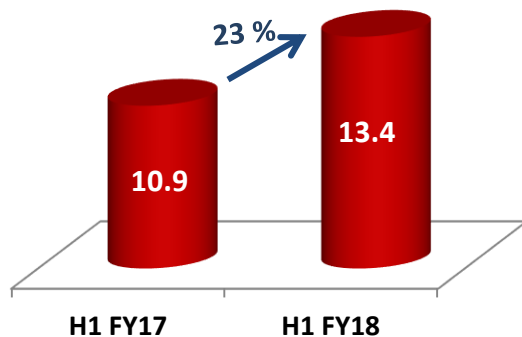
# RESULTS OVERVIEW – Working Capital Highlights

Rs. Millions	Sep '17	Mar '17
Inventories	467	385
Trade Receivables	24,282	21,238
Loans and Advances	347	408
Other Current Assets	2,806	2,163
<b>Total Current Assets (A)</b>	<b>27,902</b>	<b>24,194</b>
Trade Payables	12,728	12,574
Other Current Liabilities and Provisions	5,706	5,673
<b>Total Current Liabilities (B)</b>	<b>18,434</b>	<b>18,248</b>
Net Working Capital (NWC)	9,468	5,946
<b>Net Working Capital (No. of Days)</b>	<b>101</b>	<b>68</b>

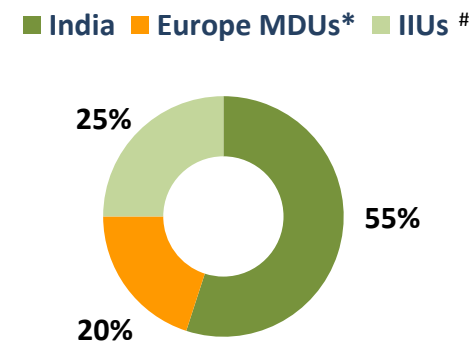
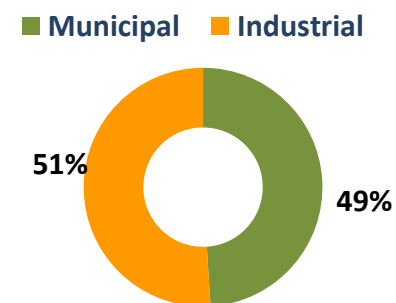
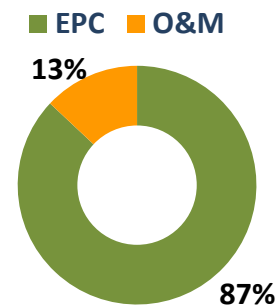
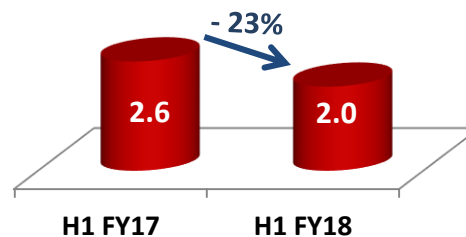
# Revenue Breakup – H1 FY18

Rs. Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India	3,569	4,086	504	235	8,394
Wabag Overseas	2,790	2,958	714	540	7,002
<b>Total</b>	<b>6,359</b>	<b>7,044</b>	<b>1,218</b>	<b>775</b>	<b>15,396</b>

EPC [Rs. Bn.]



O&M [Rs. Bn.]



# Key Projects Contributing to Revenue – H1 FY18

Project Details	Revenue recognized [Rs. Mn]
▪ Petronas RAPID, Malaysia – ETP	3,563
▪ APGENCO – BOP with Water Management	1,336
▪ AMAS, Bahrain – STP	1,176
▪ Koyambedu, Chennai – TTP	967
▪ Polgahawela, Sri Lanka – WTP	913
▪ Desal & STP Order, Saudi Arabia	419
▪ Long Phu 1, Vietnam – WTP	388
▪ Dangote ETP & RWTP, Nigeria	355
▪ OWSSB, Orissa - STP	331
▪ RIL Projects	323



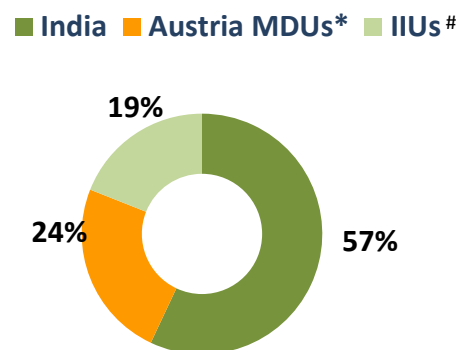
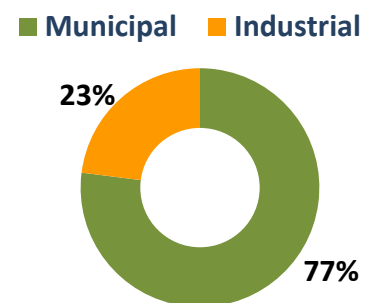
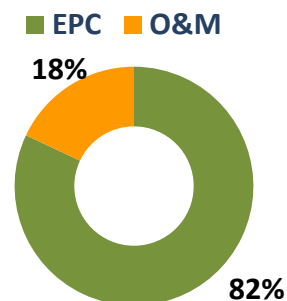
# Order Book Analysis – H1 FY18



# Order Intake Breakup

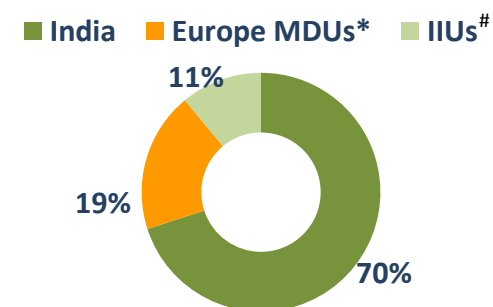
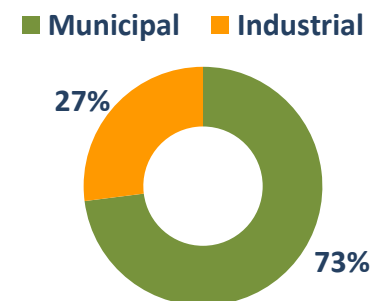
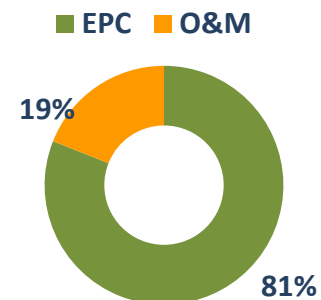
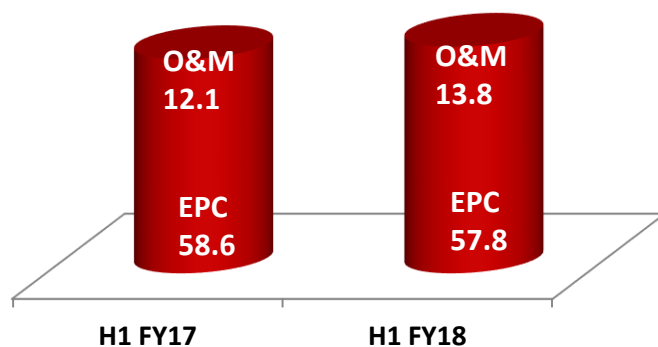
Rs. Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India	3,819	1,589	1,127	315	6,850
Wabag Overseas	4,018	450	347	410	5,226
<b>Total</b>	<b>7,837</b>	<b>2,039</b>	<b>1,474</b>	<b>725</b>	<b>12,076</b>

Key Orders Received	Order Value (Rs. Mn)
La Mesa WTP Retrofit, Philippines	1,568
Duong River WTP, Vietnam	845
Al Saad BWRO, Saudi Arabia	771



# Order Book Composition

Rs. Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India	23,725	13,793	12,140	356	50,014
Wabag Overseas	16,102	4,162	418	856	21,538
Framework Contracts					7,988
<b>Total</b>	<b>39,827</b>	<b>17,955</b>	<b>12,558</b>	<b>1,212</b>	<b>79,540</b>



# Order Book of Rs. 71.6 Bn & Framework Contracts of Rs. 8 Bn

## Key Contracts in Orderbook

Project Details	Amt [Rs. Mn]
▪ Dangote ETP & RWTP, Nigeria	6,587
▪ Polgahawela, Sri Lanka – WTP	5,515
▪ Petronas RAPID ETP, Malaysia	4,959
▪ Koyambedu, Chennai – TTP	4,778
▪ Desal & STP Order, Saudi Arabia	4,690
▪ K&C Valley, Bengaluru – STP	3,866
▪ Integrated Water Supply Project - Barmer, Rajasthan	2,370
▪ APGENCO – BOP with Water management	2,115
▪ Pertamina, Indonesia, SWRO	2,073
▪ La Mesa WTP Retrofit, Philippines	1,563

## Key Framework Contracts \*

- Libya STP of Rs. 6,114 Mn
- Tobruk, Libya Desal of Rs. 1,181 Mn
- Al Saad, Saudi Arabia BWRO of Rs. 693 Mn

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

## Guidance for FY 18

Revenue : INR 38 Bn – INR 40 Bn & Order Intake : INR 43 Bn – INR 45 Bn





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